Indiana Department of Financial Institutions

1986–87 Annual Report

DEPARTMENT OF FINANCIAL INSTITUTIONS

Ruth D. Harrison
Director

ANNUAL REPORT
FISCAL YEAR 1986-87

STATE OF INDIANA

Robert D. Orr
Governor

John M. Mutz
Lieutenant Governor

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GOVERNOR'S COMMENTS

The environment for financial institutions in the State of Indiana is one that has undergone great change in the past several years. More clearly, this past year has brought to the financial institutions in our state expanded opportunities for growth and development throughout our region. Legislation passed by the 1987 Indiana General Assembly will allow, beginning July 1, 1992, nationwide interstate banking acquisitions between Indiana banks and banks in those states with laws that meet a standard of reciprocity. These changes bring to the Department of Financial Institutions new responsibilities and exciting challenges in coordinating supervisory activities with other state, regional and federal regulatory agencies.

These new opportunities for development contribute to make a bright future for financial institutions in the state. They also bring a level of increased competition which will help to solidify the foundation of banking in our state. Such competition should bring increased and better services to the consumer and have a positive impact upon Indiana finance companies, credit unions and savings and loan associations as they continue to adapt to the changing financial industry. The expansion of the banking system should provide greater resources for the advancement and economic development of our Indiana communities.

My major concern, as our economy becomes ever more global in its nature, is whether Indiana banks will measure up to their opportunities: Will they become proactive by assisting Indiana manufacturers in essential aggressive export efforts or will they continue to evade that responsibility?

Due to many of these new changes, the Department experienced this past year the highest volume of branching and acquisition applications in its history. In addition to meeting the challenges which this increased workload and many of these changes bring, the Department has been ambitious in pursuing several goals which will increase the efficiency and quality of the services it provides. The Department has made great strides in automation and computerization and has undertaken a project which would provide the Department with accreditation from the Conference of State Banking Supervisors(CSBS). I am very pleased and proud to add that Ruth D. Harrison, Director for the Indiana Department of Financial Institutions, was elected during the past year to serve as the President-elect for the CSBS for 1987-88. She will begin a term as President of that organization in April of 1988.

The Department of Financial Institutions has met the challenges of the past with exceptional vigor and will continue to serve the citizens of Indiana by providing the excellence in service which they have demonstrated so well.

Sincerely,

Robert D. Orr
Governor

DIRECTOR'S COMMENTS

The expansion of markets through state legislation for many Indiana financial institutions has created new responsibilities, challenges and activity for the Department of Financial Institutions. The initiatives passed by the 1985 General Assembly created the opportunity for the formation of multi-bank holding companies and for expanded branching into contiguous Indiana counties. That same year the legislature enacted law permitting reciprocal regional banking between Indiana banks and those in contiguous states. During the 1987 session the General Assembly expanded Indiana's banking region to include bicontiguous states. This law, which became effective June 1, 1987, adds Iowa, Missouri, Pennsylvania, Tennessee, Virginia, West Virginia and Wisconsin to our existing five state region. As of July 1, 1987 Indiana had reached an agreement of reciprocity with Illinois, Kentucky, Michigan, Ohio, Tennessee and Wisconsin. In addition, we do expect to add agreements of reciprocity with several other states in our region during the next year. This will be made possible as several will accept Indiana into their respective region as mandated by national trigger legislation passed by their respective legislature. The Indiana General Assembly has set July 1, 1992 as the national trigger date for Indiana.

These legislative changes have continued to increase the volume of activity with which the Department is engaged. During the past fiscal year a total of 104 applications for branches in contiguous counties, intrastate acquisition and interstate acquisition were filed with the Department. Of these, there were 46 applications for multi-bank holding company acquisitions, 18 applications for regional bank holding company acquisitions, 21 applications for contiguous county branching and 19 applications for the opening of new in-county branches. During this same period 2 banks were closed due to insolvency. I am pleased to add, however, that in both situations each bank was acquired by a healthy institution.

The proliferation of interstate activity and the expansion of our banking region has heightened the necessity for cooperation and communication between regulatory agencies. The Department has continued its efforts to foster a closer working relationship with other state banking departments and federal regulatory agencies. Our increased involvement with the Conference of State Banking Supervisors (CSBS) has helped to promote the level of interaction that we enjoy with these agencies.

Even with the increased workload, we have made it a high priority to take steps toward improving those services and tasks which we already perform. Central to our activity this past year has been our application for accreditation to the Conference of State Banking Supervisors. The CSBS conducts an in depth analysis of the policies and procedures of applicant state banking regulatory agencies in determining whether or not to accredit such an agency. Some of the topics included in this analysis for evaluation are departmental training programs, personnel, examination procedures, finance, supervision and administration. Department personnel have spent several hundred work hours in conducting a self-examination and compiling the necessary documentation to support our responses to the accreditation issues. We expect to compile and submit the required documentation to the National Accreditation Comittee early in the fall of 1987. Coincident to this process has been the adoption and implementation of many new policies and procedures which should more clearly define departmental operations.

Beginning September 1, 1987 state chartered savings and loan associations will enjoy increased latitude in intrastate branching and reciprocal interstate activity. The 1987 General Assembly amended Indiana Code which allows branching for savings and loan associations within a 100 mile radius of their principal office to permit

statewide branching. It also permits acquisitions and mergers under conditions of reciprocity within the region defined by those states contiguous to Indiana—Illinois, Kentucky, Michigan and Ohio. This statute provides that the board of directors of an Indiana savings association may choose to exclude such association from intrastate and/or interstate acquisition for a 5 year period. Associations which choose to opt-out may rescind such resolution in writing to the Department at any time during the five year period.

We maintain our commitment to improving the efficiency and productivity of our examiners by increasing the use of computers in the field. Efforts are nearing completion for the automation of the Report of Examination. The vast majority of examination reports are now being prepared on computers. This year an additional data systems specialist was added to our personnel to assist in the implementation and maintenance of our automation functions.

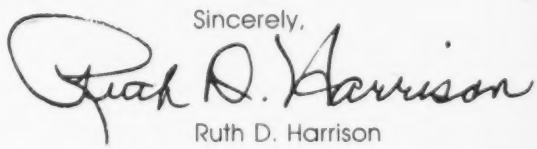
Other personnel additions and changes include the addition of a second review examiner and the establishment of Work Leaders for each division district to assist Field Supervisors in the training of new personnel. Mark Powell was appointed as Supervisor and Lloyd Nugent was appointed as Field Examiner Supervisor for the Savings & Loan Association and Credit Union Divisions. Mark Moreland was appointed as Field Examiner Supervisor for the Bank Division.

This past year the Department conducted 401 examinations of depository financial institutions (banks, trust companies, savings & loans and credit unions), 3,171 consumer credit compliance examinations and 129 electronic data processing examinations.

In the area of consumer credit, the Department has continued to set a high standard of excellence in its programming of educational mediums. This past year Department personnel made more than 1300 educational presentations and produced 34 television programs. These programs are reaching more citizens than ever before. We are pleasec to be able to bring such educational opportunities to the public concerning financial matters.

While it has been a busy year, I am proud to report that our staff has responded enthusiastically to the challenge. We shall continue to strive towards meeting the needs of the state's financial institutions and the citizens of the state by providing those measures that we may to assure safeness and soundness within our state chartered institutions.

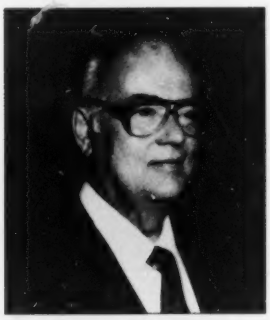
Sincerely,



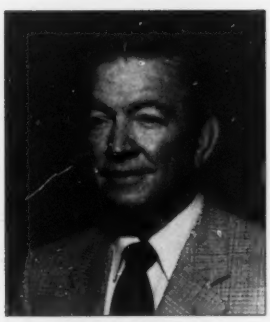
Ruth D. Harrison

MEMBERS OF THE DEPARTMENT

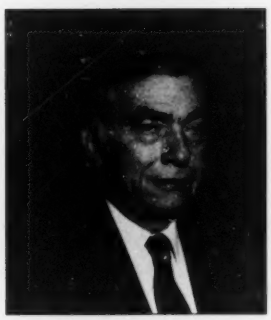
G. Eugene Yates
Chairman



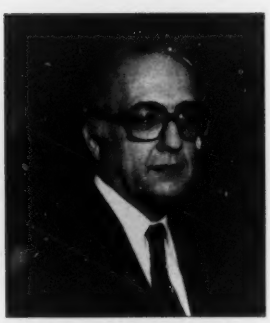
George N. Lane
Vice-Chairman



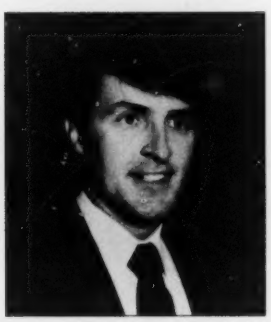
Robert W. Bibler



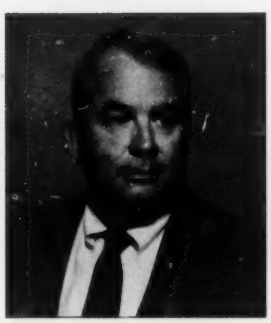
Wendell L. Dixon



Eugene H. Deutsch



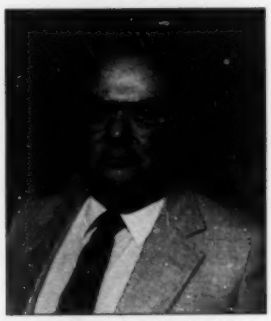
Bruce A. Ingraham



Douglas R. Grant

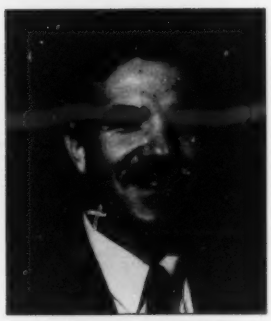
SENIOR MANAGEMENT TEAM

Donald E. Husk
Deputy Director
Depository Institutions



Charles M. Wright
Deputy Director
Non-Depository Institutions

J. Philip Goddard
Legal Counsel



John E. Simmonds
Deputy Director
Administration

THE DEPARTMENT OF FINANCIAL INSTITUTIONS

DIVISION OF BANKS AND TRUST COMPANIES

Donald E. Husk, C.F.E., Deputy Director
Randall L. Rowe, Chief Examiner
James M. Cooper, Administrative Assistant
Paul D. Larson, Data Systems Coordinator
Douglas H. Tussey, Review Examiner
Richard L. Gast, Review Examiner
Gregory E. Younce, Analyst
Timothy DeRosier, Analyst
Susan Schluttenhofer, Data Systems Specialist

DISTRICT FIELD STAFF

District #1

David H Hoeferkamp, Supervisor
W. Brent Hoptry, II
Lois A. Schmidt, WLII
Alexander Kolumbus, III
Ronald K. Kruger, III
John Sigman, III
Scott Hines, IV
Mitchel Mick, IV
Russell E. Needler, IV
Angela Riebenack, IV
Andrew F. Ward, IV

District #2

Richard C. Nelson, Supervisor
Paul G. Brockman, WLII
Edward G. Carr, II
Kevin A Lineman, II
Larry J. Babb, III
William Flory, Jr., III
Marc Ward, III
Robert C. Gorczyca, IV
Darrin McCauley, IV
Joni S. Summe, IV

District #3

Mark A. Moreland, Supervisor
Dallas G. Allegree, II
Stanley Finkton, Jr., III
Joe Hauersperger, III
Albert Johnson, III
Lee T. Reid, WLIII
Gina Williams, III
Jeffrey Mason, IV
Chris Mitchell, IV
Cynthia E. Summers, IV

District #4

Albert Raven, Supervisor
Jeffrey C. Dougan, II
John Heckard, II
Eric S. Neal, WLII
Donald Andrews, III
Karen Beauchamp, IV
Paul Callis, IV
John N. Clauss, IV
John Fettinger, IV
Lisa Shirar, IV

Trust Staff

Mark Gray, Supervisor
Robert E. Hoskins, II
Vicki Sherwood, II
Kirk Schreiber, IV

Roman numerals denote field examiner level
"WL" denotes Work Leader

DIVISION OF BUILDING & LOAN ASSOCIATIONS
AND
DIVISION OF CREDIT UNIONS

Mark K. Powell, Supervisor
Lloyd D. Nugent, Field Examiner Supervisor

Russell N. Dahl, II
Ronald V. Franklin, II
David D. Pogue, II
W. Gene Stone, II
Sherry A. Wertz, WLII
Kirk Davis, III
John K. Lorentzen, III
Rebecca Banta, IV

DIVISION OF CONSUMER CREDIT

Charles M. Wright, Deputy Director
Robert E. Haler, Asst. to Deputy Director
William D. Tichenor, Education Supervisor
Donna R Kaye, Division Systems Analyst

District #1

Ronald E. Stempkowski, Supervisor
Robert L. Miller, WLII
James F. Robertson, II
Mark R. McCammon, III
Kenneth E Sult, III

District #2

Maurice Beavers, Supervisor
Robert W. Benbow, WLII
Edward J. Lay, II
Stephen B. Burris, III
LeRoy H. Janz, III
Robert E. Thompson, III

District #3

Donald H. Herrmann, Supervisor
Charles L. Murray, WLII
James D. Harrell, II
Delbert E. Coryea, III
Phyllis Doerflinger, III
Vicki E. Overley, III
Mark B. Tarpey, III

District #4

Louis A. Foli, Supervisor
Rick A. Bane, WLII
John R. Thompson, II
Debra L. Berggren, III
Ned W. Brown, III
George M. Hicks, III
Richard F. Walden, III

DIVISION OF ELECTRONIC DATA PROCESSING

Samuel R. Laubscher, Supervisor
David L. Heimberger, Field Supervisor
James K. Low, III
Kenneth H. Granger, IV

LEGAL DIVISION

J. Philip Goddard, Chief Counsel

DIVISION OF ADMINISTRATION

John E. Simmonds, Deputy Director
Phyllis E. Humphrey, Program Director
Charles T. Stumpf, C.P.A., Project Coordinator

OFFICE STAFF

Joy M. Barnes
Ronda K. Bailey
Diane Berty
Janice L. Boger
Brenda G. Chandler
Michelle A. Cline
Donetta J. Cooke
Gloria L. Donley
Janet H. Hackett
Darla K. Neese
Susan S. Trott

THE DEPARTMENT OF FINANCIAL INSTITUTIONS

The Department of Financial Institutions was created by the Indiana Financial Institutions Act of 1933. This act commissioned the Department with the responsibility for supervising commercial banks, trust companies, private banks, savings banks, building and loan associations, credit unions and finance companies incorporated under the laws of the state of Indiana. Since that time the scope of the regulatory responsibilities with which the Department has been charged has been broadened to include the supervision of pawnbrokers, licensees under the Uniform Consumer Credit Code, industrial loan and investment companies, currency exchanges, budget service companies and rental-purchase agreement companies.

The management and policy making power of the Department is vested in a bipartisan board of seven Members who are appointed by the Governor. Indiana law requires that two of the Members shall be persons of practical experience at the executive level of a bank or trust company; one Member shall be a person of practical experience at the executive level of a building and loan association; one Member shall be a person of practical experience at the executive level of a state licensed and supervised consumer loan business; and one member shall be a person of practical experience at the executive level of a state chartered credit union. In the appointment of the other two Members of the Department, the Governor shall have due regard to a fair representation of the agricultural, industrial, commercial and consumer interests of the state.

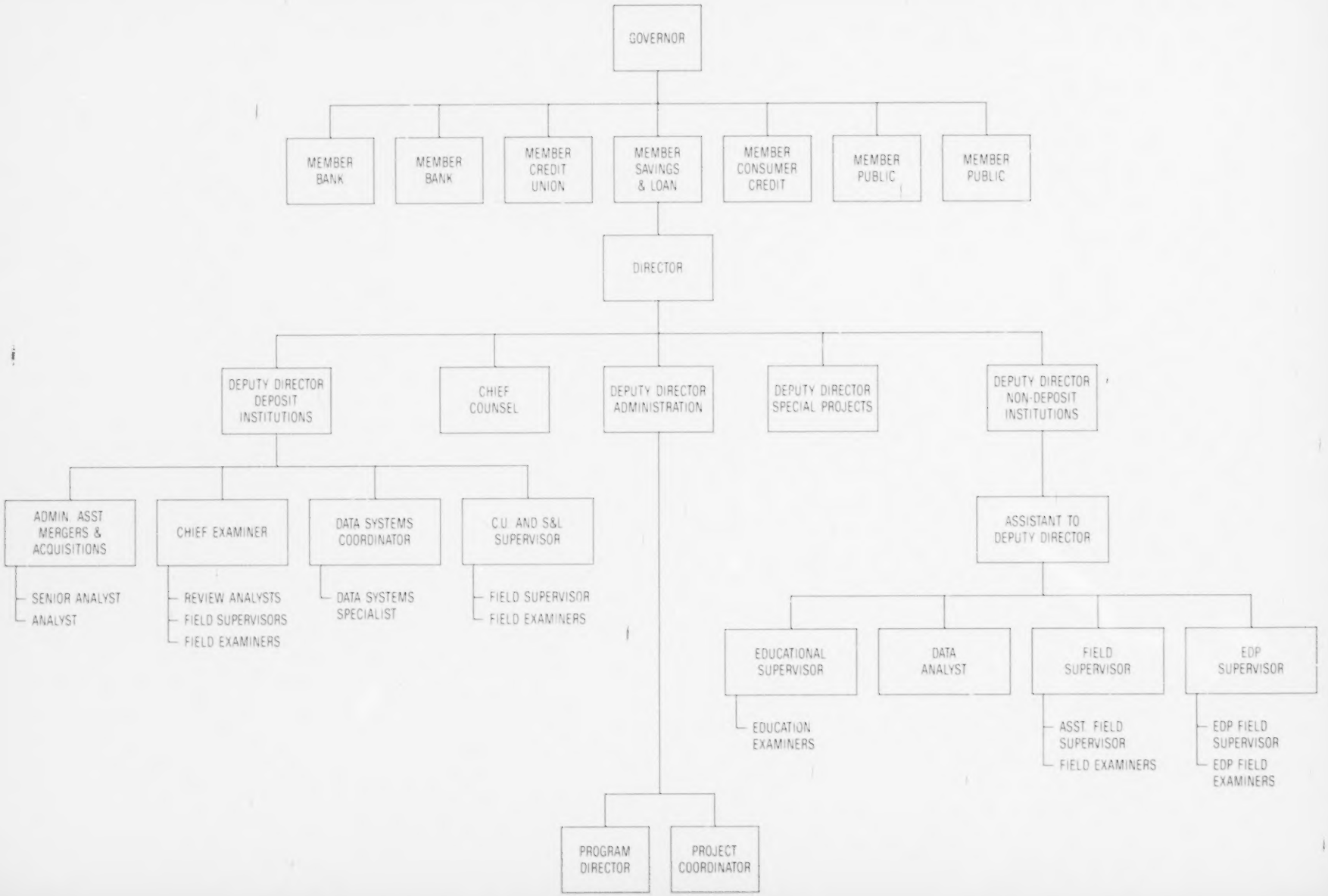
The chief executive and administrative officer of the Department is the Director. The Director is responsible for the administration of the policies established by the Members and all applicable legislative actions or policies. The Director exercises general supervisory control over the work of the Department, including its staff of supervisors, examiners and administrative personnel.

The Department works directly with the institutions it regulates and, through examination and supervisory activity, endeavors to assure the public of adequate and proper services from such institutions. It seeks to assure the protection of the interests of depositors, borrowers, shareholders and consumers.

Within the Department there are seven divisions, each under the direct control of a supervisor. These are the Division of Banks and Trust Companies, Division of Building and Loan Associations, Division of Consumer Credit, Division of Credit Unions, Division of Administration, Division of Electronic Data Processing and Division of Liquidation. The Division of EDP was created to assist the other divisions in the examination process and in the programming of all data processing. The Division of Liquidation is supervised by the Director.

The Department is a self-supporting branch of state government and none of its operating expenses are funded by general tax funds. Income is derived solely from supervision, examination and license fees which are assessed to those financial institutions which are regulated by the Department.

DEPARTMENT OF FINANCIAL INSTITUTIONS



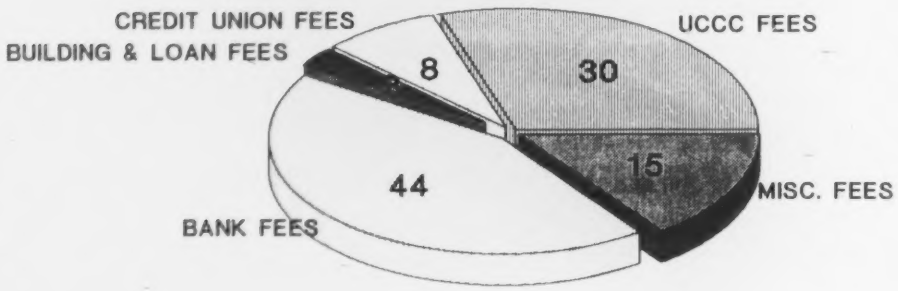
RECEIPTS AND DISBURSEMENTS

	1985	1986	1987 To Date-6/30/87
Fund Balance, July 1	$349,682.62	$167,278.33	$875,225.68
Encumberances	18,198.15	33,812.11	$296,408.05
Cash Balance	$367,880.77	$201,090.44	$1,171,633.73
RECEIPTS:			
Special Fees			$739.44
Bank Fees	$1,348,120.95	$2,196,174.51	2,263,241.03
Building & Loan Examination Fees	119,064.01	177,392.21	170,918.73
Credit Union Examination Fees	223,817.00	355,002.70	387,892.50
Currency Exchange License & Agent Fees	4,925.00	3,150.00	2,835.00
Pawnbroking Licensing Fees	2,400.00	4,575.00	4,495.00
Miscellaneous Fees	41,673.21	302,559.57	732,903.45
Budget Service Company Fees	800.00	800.00	850.00
Uniform Consumer Credit Code Fees	1,410,672.48	1,890,449.35	1,559,401.20
TOTAL INCOME	$3,151,472.65	$4,930,103.34	$5,123,276.35
TOTAL CASH	$3,519,353.42	$5,131,193.78	$6,294,910.08
DISBURSEMENTS:			
Personal Services	$2,569,219.00	$2,905,372.82	$3,287,016.00
Services Other Than Personal	59,715.96	70,740.47	118,957.18
Services by Contract	54,284.29	36,992.43	213,215.15
Office Supplies	4,791.59	7,433.11	19,340.43
Equipment	4,202.50	291,888.21	150,221.15
Travel-In State	602,780.36	625,012.96	725,847.87
Travel-Out of State	21,416.80	22,[illegible]0.05	27,015.57
Personnel Development	1,852.48		19,498.15
			542,817.35
TOTAL DISBURSEMENTS:	$3,318,262.98	$3,959,560.05	$5,103,928.85
Actual Operating Income or (Loss)	($166,790.33)	$970,543.29	$19,347.50
Balance, June 30th	$201,090.44	$1,171,633.73	$1,190,981.23
Less Disbursements	(33,812.11)	(296,408.05)	(336,746.13)
Fund Balance, June 30th	$167,278.33	$875,225.68	$854,235.10
Disbursements	33,812.11	296,408.05	336,746.13
Cash Balance	$201,090.44	$1,171,633.73	$1,190,981.23

RECEIPTS FOR 1987

SOURCE OF FUNDS FOR THE DFI OPERATING BUDGET

NUMBERS DENOTE PERCENTAGES



Project Director Chuck Stumpf reviews documentation for the CSBS accreditation application.

DIVISION OF BANKS & TRUST COMPANIES

This Division of the Department of Financial Institutions has the responsibility for the administration of the Indiana Statutes and Bank Regulations governing four types of Financial Institutions:

- State Chartered Banks and Trust Companies
- Mutual Savings Banks
- Private Banks
- Industrial Loan and Investment Companies (Issuing Certificates of Investment).

Development

Since July 1, 1985, the Division has assumed responsibility for processing applications for multi-bank holding company acquisitions, regional bank holding company acquisitions, contiguous county branch applications and in-county branch applications. In order to process these applications within the statutory time frames, the Division has added two (2) bank analyst positions.

During the fiscal year 1986/87, the Division received 40 Branch applications, 46 Indiana Multi-bank Holding Company applications, 18 Regional Multi-bank Holding Company applications, 5 Interim Bank Formations, 9 Bank Merger applications, 12 Interim Bank Merger applications, 11 Statutory Plans of Exchange, 25 Branch Closings, 8 Branch Relocations and 5 Main Office Relocations. In addition, the Division conducted 10 public hearings regarding Statutory Plans of Exchange and 1 hearing regarding the exchange of stock in an Indiana Multi-bank Holding Company Acquisition.

During the fiscal year 1986/87, total assets of State Chartered Banks increased $250.3 million, up 1.20% from the previous fiscal year. Total deposits increased $88.5 million to reach a record high of over $18.507 billion. Time deposits increased $189.4 million, while demand deposits decreased $100.9 million. Total loans outstanding at fiscal year end were $11.694 billion, which reflects an increase of over $512.9 million.

Total Equity Capital and Subordinated Notes and Debentures increased over $31.4 million from the total at the close of the previous fiscal year. The ratio of capital to deposits at the end of this fiscal year was 9.09%.

The breakdown of state banks and trust companies by classification is as follows:

Class	Federal Reserve Member	Insured Non-member	Without Deposit Insurance	Total Banks
State Bank and Trust Companies	39	204	1	244
Mutual Savings Banks	0	3	0	3
Private Banks	0	0	1	1
TOTAL BANKS	39	207	2	248

Regional Bank Holding Company Acquisitions

Since January 1, 1986, bank holding companies in the contiguous states of Michigan, Ohio, Kentucky and Illinois have been allowed to make acquisitions of banks or bank holding companies located in Indiana, if Indiana bank holding companies were allowed the same reciprocal privilege in their state. Effective June 1, 1987, House Bill 1409 expanded the region to include the bi-contiguous states of Iowa, Missouri, Pennsylvania, Tennessee, Virginia, West Virginia and Wisconsin. These states may now buy banks or bank holding companies located in Indiana if Indiana bank holding companies are given the same reciprocal privilege. As of June 30, 1987, 12 bank holding companies located in Pennsylvania, Ohio, Michigan and Kentucky had announced their intentions to acquire forty-six banks or bank holding companies located in Indiana. At the end of this fiscal year, thirty-nine of the acquisitions had been consummated. Four Indiana bank holding companies had announced intentions to acquire four bank holding companies in Kentucky and Michigan, with two being consummated and two still pending at the end of this fiscal year.

Automation

Just as last year, fiscal year 1986/87 was one of significant change in the automation of the Department. Additional equipment and software have been acquired and most of the Department's routine tasks are now computerized. With the recent addition of one person, the Department now has two full time employees working strictly on computer related projects.

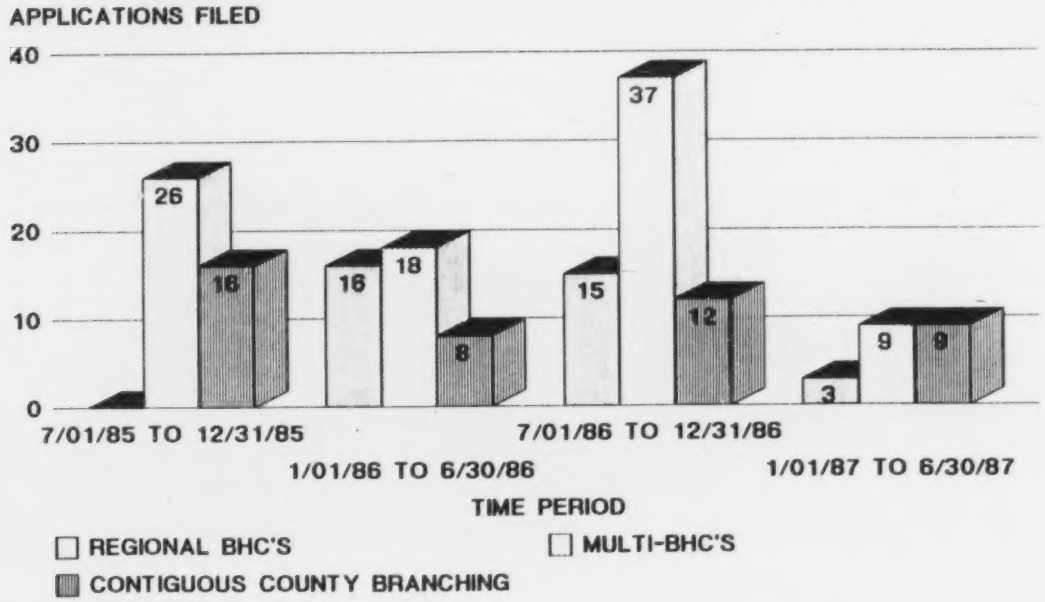
One of the major goals of the Bank Division has been to completely automate the Bank Report of Examination. The initial phase of this project is nearing completion. The training of examiners is continuing, equipment and software is now in the field and the vast majority of examination reports are being prepared on computer. While there are still some problems to overcome, office and field personnel are becoming more comfortable with the new system and it is anticipated that this project will be running smoothly before the end of 1987.

Currently the Department is evaluating the merit of purchasing an office system/mini computer. Such a system would enable the Department to design more sophisticated data bases, to network all of the Department's computers, permit more sophisticated data base applications and would greatly enhance the current storage capacity for data. It is anticipated that once a mini computer is in operation, one of the major projects to be undertaken will be the collection and analysis of call report data via computer. This added capacity will allow the Department to consolidate and analyze information in a more timely manner and will provide the Department with the ability to produce its own consolidated analysis reports. These reports might be used by financial institutions to provide a basis for comparison for several performance criteria among institutions.

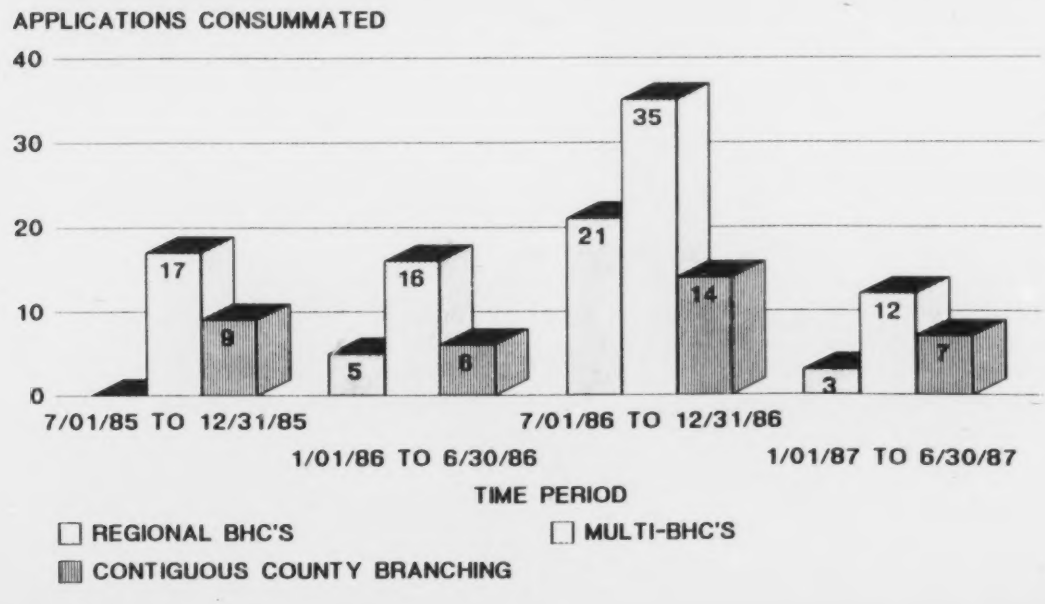
Recent upgrades in Department computerization have permitted full automation of examination reports.

Data Systems coordinator Dave Larson instructs examiners on examination automatics procedures.

ACQUISITION APPLICATION ACTIVITY



ACQUISITION APPLICATION APPROVALS



REPORT OF CONDITION

	1 PRIVATE BANK 6/30/87	3 SAVINGS BANK 6/30/87	244 COMMERCIAL BANK 6/30/87	248 TOTAL BANKS 6/30/87	262 TOTAL BANKS 6/30/86	255 TOTAL BANKS 12/31/86	266 TOTAL BANKS 12/31/85
ASSETS							
Cash and Due From Banks							
(a) Non interest-bearing balances, currency and coin	6	10,371	1,013,915	1,024,292	1,081,070	1,096,738	986,184
(b) Interest-bearing balances	10	9,381	687,621	697,012	685,931	734,158	634,888
Securities		122,121	6,153,798	6,275,919	6,050,477	6,232,781	5,946,129
Federal Funds Sold and Repurchase Agreements		17,650	832,070	849,720	1,217,824	1,152,911	1,174,433
Loans and Lease Financing Receivables							
(a) Loans and Leases, net of unearned income		157,023	11,537,340	11,694,363	11,181,409	11,234,667	10,886,372
(b) LESS: Allowance for losses		3,086	158,846	161,932	143,292	149,742	137,848
(c) LESS: Allocated transfer risk assets		0	0	0	0		0
(d) Loans and Leases, net of (b) and (c)	0	153,937	11,378,494	11,532,431	11,038,117	11,084,925	10,748,524
Assets Held in Trading Accounts		0	18,515	18,515	40,113	34,034	38,178
Premises, Fixed Asset, and Capitalized Leases		9,019	318,145	327,164	326,355	321,820	325,455
Other Real Estate Owned		204	58,510	58,714	67,057	64,625	66,697
Investments in Unconsolidated Subsidiaries		0	838	838	1,924	1,406	1,486
Customers' Liability on Acceptances Outstanding		0	1,091	1,091	318	656	559
Intangible Assets		0	12,266	12,266	14,432	12,982	14,866
Other Assets		3,336	325,934	329,270	353,295	335,390	367,245
TOTAL ASSETS	16	326,019	20,001,197	21,127,232	20,876,913	21,072,426	20,304,644
LIABILITIES							
Deposits							
(a) In Domestic Offices (Total Deposits)	1	298,695	18,208,876	18,507,572	18,419,053	18,548,985	17,943,056
(1) Non Interest-bearing	1	18,589	2,459,997	2,478,587	2,579,482	2,613,531	2,551,481
(2) Interest-bearing		280,106	15,748,879	16,028,985	15,839,571	15,935,454	15,394,575
Federal Funds Purchased		2,499	536,733	539,232	427,406	512,760	392,366
Demand Notes Issued to the U.S. Treasury		0	128,771	128,771	98,176	101,869	82,485
Other Borrowed Money		0	20,298	20,298	15,265	25,244	7,090
Mortgage Indebtedness, obligations of Capital Leases		1,627	35,502	37,129	40,003	36,622	40,936
Bank's Liability on Acceptances Outstanding		0	1,091	1,091	318	656	559
Notes and Debentures Subordinated to Deposits		0	18,386	18,386	23,125	19,723	23,111
Other Liabilities		2,553	208,209	210,762	225,607	212,851	240,445
TOTAL LIABILITIES	1	305,374	19,157,866	19,463,241	19,248,953	19,458,710	18,730,048

	1 PRIVATE BANK 6/30/87	3 SAVINGS BANK 6/30/87	244 COMMERCIAL BANK 6/30/87	248 TOTAL BANKS 6/30/87	262 TOTAL BANKS 6/30/86	255 TOTAL BANKS 12/31/86	266 TOTAL BANKS 12/31/85
Limited-life Preferred Stock		0	0	0	100	100	1,600
EQUITY CAPITAL							
Perpetual Preferred Stock		0	11,614	11,614	19,951	19,456	16,870
Common Stock	10	0	233,074	233,084	240,622	237,834	239,427
Surplus		11,770	689,232	701,002	678,316	663,785	653,167
Undivided Profits and Capital Reserves	5	8,875	709,411	718,291	688,971	692,541	661,357
Cumulative foreign currency translation adjustments		0	0	0	0	0	2,175
TOTAL EQUITY CAPITAL	15	20,645	1,643,331	1,663,991	1,627,860	1,613,616	1,572,996
TOTAL LIABILITIES AND EQUITY CAPITAL	16	326,019	20,801,197	21,127,232	20,876,913	21,072,426	20,304,644
LOANS AND LEASE FINANCING RECEIVABLES							
LOANS SECURED by REAL ESTATE:							
(A) Construction and land development		2,126	204,393	206,519	146,993	176,237	235,879
(B) Secured by farm land		0	532,962	532,962	456,703	493,358	445,838
(C) Secured by 1-4 family residential properties		78,350	3,118,580	3,196,930	2,880,132	2,953,266	2,943,879
(d) Secured by multifamily (5 or more) properties		1,620	100,342	101,962	66,591	72,027	65,662
(e) Secured by nonfarm nonresidential properties		13,182	1,053,512	1,066,694	932,589	999,491	892,297
Loans to Depository Institutions		0	62,282	62,282	52,178	36,972	132,073
Loans to Finance Agricultural Productions, Ect.		0	718,737	718,737	880,177	675,719	732,252
Commercial and Industrial Loans		25,502	2,434,310	2,459,812	2,081,894	2,375,349	1,920,567
Acceptances of Other Banks		0	122,710	122,710	173,369	152,883	202,875
Loans to Individuals for Personal Expenditures:							
(a) Credit cards and related plans		2,155	159,732	161,887	173,159	188,985	151,343
(b) Other		32,613	2,551,360	2,583,973	2,588,118	2,594,797	2,663,967
Loans to Foreign Institutions		0	1,975	1,975	1,988	1,975	2,000
Obligations of State and Political Subdivisions:							
(a) Nonrated industrial development obligations		0	330,083	330,083	329,828	311,771	430,914
(b) Other obligations		1,540	49,792	51,332	40,059	31,751	40,320
Other Loans:							
(a) Loans for purchasing or carrying securities		0	11,647	11,647	13,765	12,989	48,247
(b) All other loans		26	127,691	127,717	349,462	105,953	100,128
Lease Financing Receivables (Net of Unearned Income)		0	104,284	104,284	202,164	213,378	103,610
LESS: Any unearned income on loans listed above		91	147,052	147,143	187,760	162,234	225,479
TOTAL LOANS and LEASES, net of unearned income	0	157,023	11,537,340	11,694,363	11,181,409	11,234,667	10,886,372

	1 PRIVATE BANK 6/30/87	3 SAVINGS BANK 6/30/87	244 COMMERCIAL BANK 6/30/87	248 TOTAL BANKS 6/30/87	262 TOTAL BANKS 6/30/86	255 TOTAL BANKS 12/31/86	266 TOTAL BANKS 12/31/85
INTEREST INCOME:							
(a) Interest and Fee Income on Loans		7,785	577,202	584,987	622,950	1,196,697	1,255,392
(b) Income from lease financing receivables		0	2,810	2,810	6,299	12,665	11,031
(c) Interest income from depository institutions		492	24,653	25,145	29,432	53,526	58,173
(d) Interest and dividend income on securities		4,948	242,513	247,461	262,526	503,710	550,613
(e) Interest income from trading accounts		0	622	622	1,365	2,314	1,844
(f) Interest from Fed Funds and repo agreements		249	30,437	30,686	40,817	74,126	71,853
(g) Total interest income	0	13,474	878,237	891,711	963,389	1,843,038	1,948,906
INTEREST EXPENSE:							
(a) Interest on deposits		8,775	489,507	498,282	572,277	1,078,296	1,178,253
(b) Expense of Fed Funds and repo agreements		170	14,366	14,536	13,752	26,361	34,962
(c) Interest on U.S. Treas notes and borrowed money		0	2,872	2,872	2,870	4,313	5,135
(d) Interest on mortgage indebtedness, ect.		115	1,692	1,807	1,835	3,550	3,552
(e) Interest on debentures subordinated to deposits		0	940	940	1,040	2,228	2,019
(f) Total interest expense	0	9,060	509,377	518,437	591,774	1,114,748	1,223,921
NET INTEREST INCOME		4,414	368,860	373,274	371,615	728,290	724,985
Provisions:		189	37,625	37,814	41,783	105,335	108,018
Noninterest Income:	5	382	69,832	70,219	66,649	137,719	129,340
Gains (losses) on securities not held in trading accounts		2	8,533	8,535	12,174	21,622	11,523
Noninterest Expenses:							
(a) Salaries and employee benefits		1,617	144,918	146,535	147,561	288,692	280,043
(b) Expenses of premises and fixed assets		570	45,559	46,129	46,922	91,297	90,256
(c) Other noninterest expenses		1,266	107,029	108,295	107,456	218,725	202,619
(d) Total noninterest expenses	0	3,453	297,506	300,959	301,939	598,714	572,918
Income (losses) before income taxes and extraordinary items and other adjustments	5	1,156	112,094	113,255	106,716	183,582	184,912
Applicable income taxes		411	20,721	21,132	16,587	25,950	34,057
Income (losses) before extraordinary items, ect.	5	745	91,373	92,123	90,129	157,632	150,855
Extraordinary Items and Other Adjustements:							
(a) Extraordinary items and other adjustments gross of income taxes			1,483	1,483	2,405	5,343	11,442
(b) Applicable income taxes		0	163	163	0	713	(990)
(c) Extraordinary items and other adjustments, net of income taxes	0	0	1,320	1,320	2,405	4,630	10,452
NET INCOME (loss)	5	745	92,693	93,443	92,534	162,262	161,307

		1 PRIVATE BANK 6/30/87	3 SAVINGS BANK 6/30/87	244 COMMERCIAL BANK 6/30/87	248 TOTAL BANKS 6/30/87	262 TOTAL BANKS 6/30/86	255 TOTAL BANKS 12/31/86	266 TOTAL BANKS 12/31/85
CHANGE IN EQUITY CAPITAL:						**		
Equity capital end of previous calendar year	10	20,092	883,920	904,022	777,072	1,514,801	1,431,803	
Equity capital adjustments from amended Reports of Inc.		0	(195)	(195)	416	(2,893)	(393)	
Amended balance end of previous calendar year	10	20,092	883,725	903,827	777,488	1,511,908	1,431,410	
Net income (loss)	5	745	53,867	54,617	64,837	162,262	161,307	
Sale, conversion, acquisition, or retirement of capital stock			1,504	1,504	814	6,446	16,499	
Change incident to business combinations			20,375		1,780	4,398	15,151	
(a) LESS: Cash dividends declared on preferred stock			278	278	358	672	619	
(b) LESS: Cash dividends declared on common stock			23,343	23,343	14,768	68,809	55,660	
Cumulative effect of changes in accounting principles from prior years			107	107	34	1,026	719	
Corrections of material accounting errors from prior years		0	0	0	4	(168)	(465)	
Net unrealized gain (loss) on marketable equity securities		(192)	(473)	(665)	0	112	(4)	
Transactions with parent holding company			(763)	(763)	(547)	(2,390)	4,658	
Other increases (losses)		0	0	0	0	0	0	
Equity capital end of current period	15	20,645	934,721	935,006	829,284	1,613,613	1,572,996	

**ONLY BANKS OVER $100m IN TOTAL ASSETS REPORT THIS INFORMATION.

CHANGE IN THE STATUS OF BANKS
JULY 1, 1986 TO JUNE 30, 1987

BANK NAME	CITY	ADDRESS/CITY OR REMARKS	COUNTY	DATE
		PART I-NEW BANKS		
NONE				
		PART II-BANKS CLOSED		
MOROCCO STATE BANK	MOROCCO	DECLARED INSOLVENT AND CLOSED BY THE DEPARTMENT. THE FDIC WAS APPOINTED RECEIVER AND THE ASSETS WERE PURCHASED AND THE LIABILITIES ASSUMED BY THE DEMOTTE STATE BANK, DEMOTTE, INDIANA		03/20/87
CITIZENS STATE BANK	BROWNSTOWN	DECLARED INSOLVENT AND CLOSED BY THE DEPARTMENT. THE FDIC WAS APPOINTED RECEIVER AND THE ASSETS WERE PURCHASED BY AND THE INSURED DEPOSITS WERE TRANSFERRED TO MONROE COUNTY BANK, BLOOMINGTON, INDIANA		04/10/87
		PART III-CONTIGUOUS COUNTY BRANCHES AUTHORIZED AND OPENED		
COMMERCEAMERICA BANKING COMPANY	JEFFERSONVILLE	223 EAST SPRING STREET, NEW ALBANY	FLOYD	07/11/86
BANK ONE, CARMEL	CARMEL	1500-1562 NORTH STATE STREET, GREENFIELD	HANCOCK	07/23/86
FIRST UNION BANK & TRUST COMPANY	WINAMAC	U.S. 24 AND CASS PLAZA ROAD, LOGANSPORT	CASS	07/26/86
BANK ONE, ELKHART	ELKHART	7209 GRAPE ROAD, GRANGER	ST. JOSEPH	08/25/86
HARRISON COUNTY BANK	PALMYRA	S.R. 150 AND WEST 2ND STREET, GREENVILLE	FLOYD	09/08/86
SALEM BANK & TRUST COMPANY	GOSHEN	3131 EAST CENTER STREET, WARSAW	KOSCIUSKO	09/29/86
VALLEY AMERICAN BANK & TRUST COMPANY	SOUTH BEND	101 NORTH MAIN STREET, ELKHART	ELKHART	11/04/86
CAMPBELL & FETTER BANK	KENDALLVILLE	U.S. 30 AND CENTER STREET, WARSAW	KOSCIUSKO	11/10/86
JACKSON COUNTY BANK	SEYMOUR	1515 "K" STREET, BEDFORD	LAWRENCE	11/10/86
WAINWRIGHT BANK & TRUST COMPANY	NOBLESVILLE	6650 CRESCO STREET, INDIANAPOLIS	MARION	11/24/86
SUMMIT BANK OF JOHNSON COUNTY	EDINBURGH	8930 U.S. 31 SOUTH, INDIANAPOLIS	MARION	12/11/86
BOONE COUNTY STATE BANK	LEBANON	10 WEST MARKET STREET, INDIANAPOLIS	MARION	12/16/86
SUMMIT BANK	FORT WAYNE	1501 NORTH JEFFERSON, HUNTINGTON	HUNTINGTON	12/23/86
NASHVILLE STATE BANK	NASHVILLE	116 WEST 6TH STREET #106, BLOOMINGTON	MONROE	12/29/86
STATE BANK OF LIZTON	LIZTON	1801 INDIANAPOLIS AVENUE, LEBANON	BOONE	01/02/87
SUMMIT BANK OF HAMILTON COUNTY	SHERIDAN	5919 EAST 82ND STREET, INDIANAPOLIS	MARION	01/12/87
MIDWEST COMMERCE BANKING COMPANY	ELKHART	100 EAST WAYNE STREET, SOUTH BEND	ST. JOSEPH	02/17/87
DEMOTTE STATE BANK	DEMOTTE	1 SOUTH MAIN STREET, MOROCCO	NEWTON	03/21/87
COMMUNITY STATE BANK	NORTH LIBERTY	131 EAST FRANKLIN STREET, ELKHART	ELKHART	03/30/87
1ST SOURCE BANK	SOUTH BEND	131 EAST FRANKLIN STREET, ELKHART	ELKHART	03/31/87
FARMERS BANK & TRUST COMPANY	WADESVILLE	103 SOUTH MAIN STREET, OWENSVILLE	GIBSON	04/01/87
MONROE COUNTY BANK	BLOOMINGTON	1051 WEST SPRING STREET, BROWNSTOWN	JACKSON	04/13/87
MONROE COUNTY BANK	BLOOMINGTON	MAIN STREET, FREETOWN	JACKSON	04/13/87
MONROE COUNTY BANK	BLOOMINGTON	P.O. BOX 81, VALLONIA	JACKSON	04/13/87
FARMERS BANK & TRUST COMPANY	KNOX	154 DUNES PLAZA MALL, MICHIGAN CITY	LA PORTE	04/25/87
FARMERS STATE BANK	BROOKSTON	104 SOUTH RAILROAD STREET, BATTLEGROUND	TIPPECANOE	06/29/87
HAMLET STATE BANK	HAMLET	6311 CENTRAL AVENUE, PORTAGE	PORTER	06/29/87

CHANGE IN THE STATUS OF BANKS
JULY 1, 1986 TO JUNE 30, 1987

BANK NAME	CITY	ADDRESS/CITY OR REMARKS	COUNTY	DATE
		PART IV - IN COUNTY BRANCHES AUTHORIZED AND OPENED		
FARMERS STATE BANK RUSH COUNTY	CARTHAGE	MAIN STREET, BOX 97, MAYS	RUSH	07/21/86
UNION BANK & TRUST COMPANY	KOKOMO	221 WEST MAIN STREET, GREENTOWN	HOWARD	08/29/86
UNITED SOUTHWEST BANK	WASHINGTON	204 EAST MAIN STREET, WASHINGTON	DAVIESS	08/29/86
UNITED SOUTHWEST BANK	WASHINGTON	301 NATIONAL HIGHWAY 50 EAST, WASHINGTON	DAVIESS	08/29/86
PEOPLES BANK & TRUST COMPANY	INDIANAPOLIS	7921 U.S. 31 SOUTH, INDIANAPOLIS	MARION	10/27/86
FRANCES SLOCUM BANK & TRUST COMPANY	WABASH	189 WEST MARKET STREET, WABASH	WABASH	11/10/86
MID STATE BANK	ZIONSVILLE	390 SOUTH MAIN STREET, ZIONSVILLE	BOONE	11/12/86
CITIZENS FIDELITY B&T CO. CLARK COUNTY	SELLERSBURG	1111 MARKET STREET, CHARLESTOWN	CLARK	11/21/86
CITIZENS FIDELITY B&T CO. CLARK COUNTY	SELLERSBURG	1711 EAST 10TH STREET, JEFFERSONVILLE	CLARK	11/21/86
CITIZENS FIDELITY B&T CO. CLARK COUNTY	SELLERSBURG	819 EASTERN BOULEVARD, CLARKSVILLE	CLARK	11/21/86
GERMAN AMERICAN BANK	JASPER	12TH AND MAIN STREET, HUNTINGBURG	DUBOIS	01/16/87
ANDERSON BANKING COMPANY	ANDERSON	1913 EAST 53RD STREET, ANDERSON	MADISON	02/02/87
BARGERSVILLE STATE BANK	GREENWOOD	BALDWIN & HARRIMAN STREETS, BARGERSVILLE	JOHNSON	02/02/87
FIRST STATE BANK	BOURBON	436 EAST CENTER STREET, BOURBON	MARSHALL	02/17/87
SUMMIT BANK OF SOUTH BEND	SOUTH BEND	1222 WEST WESTERN AVENUE, SOUTH BEND	ST. JOSEPH	03/30/87
1ST SOURCE BANK	SOUTH BEND	209 NORTH MAIN STREET, NORTH LIBERTY	ST. JOSEPH	03/31/87
IRWIN UNION BANK & TRUST COMPANY	COLUMBUS	1901 TAYLOR AVENUE, COLUMBUS	BARTHOLOMEW	04/06/87
SUMMIT BANK	FORT WAYNE	203 EAST BERRY STREET, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	3308 NORTH ANTHONY BOULEVARD, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	6102 WEST JEFFERSON BOULEVARD, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	5533 SOUTH ANTHONY BOULEVARD, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	1230 LINCOLN HIGHWAY EAST, NEW HAVEN	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	7017 OLD TRAIL ROAD, WAYNEDALE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	6750 EAST STATE BOULEVARD, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	6141 NORTH CLINTON STREET, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	3701 SOUTH CALHOUN STREET, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	2201 SAINT MARY AVENUE, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	9149 LIMA ROAD, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	6117 STELLHORN ROAD, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	705 NORTHCREST SHOPPING CENTER, FORT WAYNE	ALLEN	04/30/87
SUMMIT BANK	FORT WAYNE	3230 FAIRFIELD AVENUE, FORT WAYNE	ALLEN	04/30/87
FRANKLIN BANK & TRUST COMPANY	FRANKLIN	1172 NORTH MAIN STREET, FRANKLIN	JOHNSON	05/12/87
CYNTHIANA STATE BANK	CYNTHIANA	STATE ROADS 68 AND 165, POSEYVILLE	POSEY	05/18/87
LAKESHORE BANK & TRUST COMPANY	MICHIGAN CITY	6TH & WABASH STREETS, MICHIGAN CITY	LA PORTE	05/18/87
THE PARKE STATE BANK	ROCKVILLE	P.O. BOX 55, MARSHALL	PARKE	05/29/87
NORTHERN INDIANA BANK & TRUST COMPANY	VALPARAISO	558 INDIAN BOUNDARY ROAD, CHESTERTON	PORTER	06/15/87
SUMMIT BANK OF HAMILTON COUNTY	SHERIDAN	11592 WESTFIELD BOULEVARD, CARMEL	HAMILTON	06/25/87

CHANGE IN THE STATUS OF BANKS
JULY 1, 1986 TO JUNE 30, 1987

BANK NAME	CITY	ADDRESS/CITY OR REMARKS	COUNTY	DATE
		PART V-AUTOMATED TELLER MACHINES		
WAINWRIGHT BANK & TRUST COMPANY	NOBLESVILLE	949 CONNER STREET, NOBLESVILLE (MAIN OFFICE)	HAMILTON	12/01/85
		255 SHERIDAN ROAD, NOBLESVILLE (WESTERN PLAZA)	HAMILTON	12/01/85
		11555 ALLISONVILLE ROAD, FISHERS	HAMILTON	12/01/85
		10585 U.S. 31 NORTH, CARMEL	HAMILTON	02/25/86
		WAL MART PLAZA, CHERRY ST. & S.R. 37, NOBLESVILLE	HAMILTON	05/16/86
SPRINGS VALLEY BANK & TRUST COMPANY	FRENCH LICK	S.R. 231 SOUTH & HRJ LANE, JASPER	DUBOIS	05/09/86
MONROE COUNTY BANK	BLOOMINGTON	JORDAN SQUARE, 1400 EAST 3RD STREET, BLOOMINGTON	MONROE	10/03/86
1ST SOURCE BANK	SOUTH BEND	615 NORTH MICHIGAN STREET, SOUTH BEND	ST. JOSEPH	01/26/87
FARMERS BANK & TRUST COMPANY	WADESVILLE	SR 165 & SR 66, WADESVILLE (DATA CENTER BRANCH)	POSEY	02/16/87
		LOCUST & FLETCHALL STREETS, POSEYVILLE	POSEY	02/16/87
		10201 E. UPPER MT. VERNON RD., SAINT PHILIPS	POSEY	02/16/87
		PART VI-BRANCHES CLOSED		
ANTHONY WAYNE BANK	FORT WAYNE	3810 WEST JEFFERSON BOULEVARD, FORT WAYNE	ALLEN	07/31/86
FARMERS AND MERCHANTS BANK	ROCHESTER	MACY-NYONA LAKE BRANCH, MACY	FULTON	09/16/86
FIRST BANK & TRUST COMPANY	BRAZIL	JUNCTION STATE ROAD #42 AND #59, BRAZIL	CLAY	10/01/86
MID STATE BANK	ZIONSVILLE	1801 INDIANAPOLIS AVENUE, LEBANON	BOONE	10/11/86
NORTHERN INDIANA BANK & TRUST COMPANY	VALPARAISO	389 WEST U.S. HIGHWAY #6, VALPARAISO	PORTER	12/31/86
FARMERS STATE BANK	SULLIVAN	102 NORTH SECTION STREET, SULLIVAN	SULLIVAN	12/31/86
SUMMIT BANK	FORT WAYNE	600 EAST COLISEUM BOULEVARD, FORT WAYNE	ALLEN	01/09/87
FIRST MIDWEST BANK & TRUST	NEW ALBANY	2150 STATE STREET, NEW ALBANY	FLOYD	01/16/87
MORGAN COUNTY BANK & TRUST COMPANY	EMINENCE	400 SOUTH INDIANA STREET, MOORESVILLE	MORGAN	01/27/87
THE MARTIN COUNTY BANK	SHOALS	HIGHWAY 558 & BLANDY AVENUE, CRANE	MARTIN	02/28/87
CLINTON COUNTY BANK & TRUST COMPANY	FRANKFORT	201 BOOMER STREET, FRANKFORT	CLINTON	05/29/87
CITIZENS STATE BANK	WILLIAMSPORT	JUNCTION OF HIGH STREET & SR 263, WEST LEBANON	WARREN	06/08/87
SUMMIT BANK OF MARION	MARION	1301 WEST 16TH STREET, MARION	GRANT	06/19/87
SUMMIT BANK	FORT WAYNE	926 WEST STATE STREET, FORT WAYNE	ALLEN	06/23/87
SUMMIT BANK	FORT WAYNE	3230 FAIRFIELD AVENUE, FORT WAYNE	ALLEN	06/29/87
SUMMIT BANK	FORT WAYNE	9149 LIMA ROAD, FORT WAYNE	ALLEN	06/29/87
SUMMIT BANK	FORT WAYNE	705 NORTHCREST SHOPPING CENTER, FORT WAYNE	ALLEN	06/29/87
SUMMIT BANK	FORT WAYNE	6117 STELLHORN ROAD, FORT WAYNE	ALLEN	06/29/87
SUMMIT BANK OF JOHNSON COUNTY	EDINBURGH	340 TRACY ROAD, NEW WHITELAND	JOHNSON	06/30/87

CHANGE IN THE STATUS OF BANKS
JULY 1, 1986 TO JUNE 30, 1987

BANK NAME	CITY	ADDRESS/CITY OR REMARKS	COUNTY	DATE
		PART VII-BRANCHES RELOCATED		
THE FARMERS BANK	FRANKFORT	FROM: 112 EAST JACKSON STREET, MULBERRY TO: 145 EAST JACKSON STREET, MULBERRY		10/13/86
CITIZENS BANKING COMPANY	ANDERSON	FROM: 2653 WEST NICHOL AVENUE, ANDERSON TO: 3228 WEST NICHOL AVENUE, ANDERSON		10/27/86
THE CORYDON STATE BANK	CORYDON	FROM: INTERSECTION OF HIGHWAYS 62 AND 135, CORYDON TO: INTERSECTION OF HIGHWAYS 337 AND OLD S.R. 135, CORYDON		11/24/86
FRANKLIN BANK AND TRUST COMPANY	FRANKLIN	FROM: 8802 NORTH MERIDIAN STREET, SUITE 104, INDIANAPOLIS TO: 8902 NORTH MERIDIAN STREET, SUITE 101, INDIANAPOLIS		02/02/87
UNITED SOUTHWEST BANK	WASHINGTON	FROM: 204 EAST MAIN STREET, WASHINGTON TO: 211 EAST MAIN STREET, WASHINGTON		05/26/87
SUMMIT BANK OF MARION	MARION	FROM: 435 EAST LINCOLN ROAD, KOKOMO TO: 3541 SOUTH LAFOUNTAIN STREET, KOKOMO		06/29/87
		PART VIII-MAIN OFFICE RELOCATED		
BARGERSVILLE STATE BANK	GREENWOOD	FROM: CORNER OF BALDWIN AND HARRIMAN STREETS, BARGERSVILLE TO: 720 EXECUTIVE PARK, SUITE 3000, GREENWOOD		02/02/87
SUMMIT BANK OF SOUTH BEND	SOUTH BEND	FROM: 1222 WEST WESTERN AVENUE, SOUTH BEND TO: 125 WEST COLFAX AVENUE, SOUTH BEND		03/30/87
UNITED SOUTHWEST BANK	WASHINGTON	FROM: 211 EAST MAIN STREET, WASHINGTON TO: 204 EAST MAIN STREET, WASHINGTON		05/26/87
CITIZENS BANK	WAKARUSA	FROM: GENERAL DELIVERY, WAKARUSA TO: 1450 EAST 20TH STREET, INDIANAPOLIS		06/19/87

CHANGE IN THE STATUS OF BANKS
JULY 1, 1986 TO JUNE 30, 1987

BANK NAME	CITY	ADDRESS/CITY OR REMARKS	COUNTY	DATE
		PART IX-CHANGE NAME OF BANK		
PACESETTER BANK OF HARTFORD CITY, IND.	HARTFORD CITY	TO: PACESETTER BANK OF HARTFORD CITY		05/05/86
AMERICAN BANK & TRUST COMPANY	MARION	TO: SUMMIT BANK OF MARION		09/26/86
THE FARMERS STATE BANK	WEST COLLEGE CORNER	TO: FARMERS STATE BANK		11/18/86
STATE BANK OF CARTHAGE	CARTHAGE	TO: FARMERS STATE BANK RUSH COUNTY		11/20/86
THE EDINBURG STATE BANK	EDINBURGH	TO: SUMMIT BANK OF JOHNSON COUNTY		12/22/86
KENDALLVILLE BANK AND TRUST COMPANY	KENDALLVILLE	TO: SUMMIT BANK OF KENDALLVILLE		12/31/86
FIRST BANK AND TRUST COMPANY	INDIANAPOLIS	TO: FIRST OF AMERICA BANK - INDIANAPOLIS		01/09/87
WESTERN STATE BANK	SOUTH BEND	TO: SUMMIT BANK OF SOUTH BEND		01/28/87
AMERICAN STATE BANK OF SHERIDAN	SHERIDAN	TO: SUMMIT BANK OF HAMILTON COUNTY		02/09/87
CITIZENS NORTHERN BANK OF ELKHART	ELKHART	TO: BANK ONE, ELKHART		03/30/87
CARMEL BANK AND TRUST COMPANY	CARMEL	TO: BANK ONE, CARMEL		03/30/87
UNION BANK AND TRUST COMPANY	FRANKLIN	TO: BANK ONE, FRANKLIN		03/30/87
INDIANA SOUTHERN BANK	SELLERSBURG	TO: CITIZENS FIDELITY BANK & TRUST COMPANY	CLARK COUNTY	05/19/87
FIRST MIDWEST BANK & TRUST	NEW ALBANY	TO: CITIZENS FIDELITY BANK & TRUST COMPANY	FLOYD COUNTY	05/19/87
THE CAMDEN STATE BANK	CAMDEN	TO: SALIN BANK		06/01/87
CITIZENS BANK & TRUST OF LAGRANGE CO.	LAGRANGE	TO: GATEWAY BANK/INDIANA		06/01/87
		PART X-CONVERSION		
THE CORYDON STATE BANK	CORYDON	CONVERTED TO A NATIONAL CHARTER. NOW KNOWN AS: LIBERTY NATIONAL BANK & TRUST COMPANY OF INDIANA		12/01/86
		PART XI-MERGERS		
THE FIRST NATIONAL BANK OF MAYS STATE BANK OF CARTHAGE	MAYS CARTHAGE	SURVIVING BANK IS STATE BANK OF CARTHAGE, CARTHAGE, RUSH COUNTY, INDIANA		07/21/86
THE FIDELITY BANK OF INDIANA THE INDIANA NATIONAL BANK	CARMEL INDIANAPOLIS	SURVIVING BANK IS THE INDIANA NATIONAL BANK, INDIANAPOLIS, MARION COUNTY, INDIANA		08/29/86
STATE BANK OF GREENTOWN UNION BANK AND TRUST COMPANY	GREENTOWN KOKOMO	SURVIVING BANK IS UNION BANK AND TRUST COMPANY, KOKOMO, HOWARD COUNTY, INDIANA		08/29/86
THE WASHINGTON NATIONAL BANK THE CITIZENS BANK & TRUST COMPANY	WASHINGTON WASHINGTON	SURVIVING BANK IS UNITED SOUTHWEST BANK, WASHINGTON, DAVIESS COUNTY, INDIANA		08/29/86
CITIZENS BANK OF MICHIGAN CITY THE FIRST-MERCHANTS NATIONAL BANK	MICHIGAN CITY MICHIGAN CITY	SURVIVING BANK IS FIRST CITIZENS BANK, N.A., MICHIGAN CITY, LA PORTE COUNTY, INDIANA		10/01/86
UNITED BANK OF INDIANA, N.A. INDIANA SOUTHERN BANK	CLARKSVILLE SELLERSBURG	SURVIVING BANK IS INDIANA SOUTHERN BANK, SELLERSBURG, CLARK COUNTY, INDIANA		11/21/86
THE COMMERCIAL BANK [illegible] BANK, N.A.	CROWN POINT GARY	SURVIVING BANK IS GAINER BANK, N.A., GARY, LAKE COUNTY, INDIANA		12/01/86

CHANGE IN THE STATUS OF BANKS
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BANK NAME	CITY	ADDRESS/CITY OR REMARKS	COUNTY	DATE
PEOPLES STATE BANK	LEESBURG	SURVIVING BANK IS FIRST NATIONAL BANK OF WARSAW,		12/19/86
FIRST NATIONAL BANK OF WARSAW	WARSAW	WARSAW, KOSCIUSKO COUNTY, INDIANA		
THE NASHVILLE STATE BANK	NASHVILLE	SURVIVING BANK IS THE FIRST NATIONAL BANK OF COLUMBUS,		12/30/86
THE FIRST NATIONAL BANK OF COLUMBUS	COLUMBUS	COLUMBUS, BARTHOLOMEW COUNTY, INDIANA		
HOOSIER STATE BANK OF INDIANA	HAMMOND	SURVIVING BANK IS GAINER BANK, N.A.,		02/28/87
GAINER BANK, N.A.	GARY	GARY, LAKE COUNTY, INDIANA		
COMMUNITY STATE BANK	NORTH LIBERTY	SURVIVING BANK IS 1ST SOURCE BANK,		03/31/87
1ST SOURCE BANK	SOUTH BEND	SOUTH BEND, ST. JOSEPH COUNTY, INDIANA		
FIRST NATIONAL BANK OF OWENSVILLE	OWENSVILLE	SURVIVING BANK IS FARMERS BANK & TRUST COMPANY,		04/01/87
FARMERS BANK & TRUST COMPANY	WADESVILLE	WADESVILLE, POSEY COUNTY, INDIANA		
ANTHONY WAYNE BANK	FORT WAYNE	SURVIVING BANK IS SUMMIT BANK,		04/30/87
SUMMIT BANK	FORT WAYNE	FORT WAYNE, ALLEN COUNTY, INDIANA		
CITIZENS STATE BANK	MARSHALL	SURVIVING BANK IS THE PARKE STATE BANK,		05/29/87
THE PARKE STATE BANK	ROCKVILLE	ROCKVILLE, PARKE COUNTY, INDIANA		
CHANDLER STATE BANK	CHANDLER	SURVIVING BANK IS THE NATIONAL CITY BANK,		06/29/87
THE NATIONAL CITY BANK OF EVANSVILLE	EVANSVILLE	EVANSVILLE, VANDERBURGH COUNTY, INDIANA		

PART XII-MULTI-BHC APPLICATIONS

APPLICANT	CITY	TARGET	CITY	DATE CONSUMMATE
SPURGEON FINANCIAL CORPORATION	SPURGEON	PIKE COUNTY BANK	PETERSBURG	07/15/86
ST. JOSEPH BANCORPORATION, INC.	SOUTH BEND	FIRST UNION BANK & TRUST COMPANY	WINAMAC	07/29/86
NATIONAL CITY BANCSHARES, INC.	EVANSVILLE	CHANDLER STATE BANK	CHANDLER	08/15/86
ST. JOSEPH BANCORPORATION, INC.	SOUTH BEND	FIRST NATIONAL BANK OF ANGOLA	ANGOLA	08/15/86
AMERICAN FLETCHER CORPORATION	INDIANAPOLIS	CITIZENS NORTHERN BANK OF ELKHART	ELKHART	08/27/86
AMERICAN FLETCHER CORPORATION	INDIANAPOLIS	CARMEL BANK & TRUST COMPANY	CARMEL	08/29/86
INDIANA NATIONAL CORPORATION	INDIANAPOLIS	COMMERCEAMERICA CORPORATION	JEFFERSONVILLE	08/29/86
OLD NATIONAL BANCORP	EVANSVILLE	THE ROCKVILLE NATIONAL BANK	ROCKVILLE	08/29/86
SUMMCORP	FORT WAYNE	KENDALLVILLE BANK & TRUST COMPANY	KENDALLVILLE	09/02/86
FIRST CITIZENS BANCORP OF INDIANA	ANDERSON	ALEXANDRIA BANKING COMPANY	ALEXANDRIA	09/15/86
LINCOLN FINANCIAL CORPORATION	FORT WAYNE	FARMERS & MERCHANTS BANK	BLUFFTON	10/20/86
OLD NATIONAL BANCORP	EVANSVILLE	CLINTON STATE BANK	CLINTON	10/31/86
MERCHANTS NATIONAL CORPORATION	INDIANAPOLIS	MID STATE BANK OF HENDRICKS COUNTY	DANVILLE	11/28/86
MERCHANTS NATIONAL CORPORATION	INDIANAPOLIS	UNION STATE BANK	CARMEL	11/28/86
MERCHANTS NATIONAL CORPORATION	INDIANAPOLIS	MID STATE BANK	ZIONSVILLE	11/28/86

CHANGE IN THE STATUS OF BANKS
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BANK NAME	CITY	ADDRESS/CITY OR REMARKS	COUNTY	DATE
LINCOLN FINANCIAL CORPORATION	FORT WAYNE	THE CITY NATIONAL BANK OF AUBURN	AUBURN	12/01/86
LINCOLNLAND BANCORP, INC.	DALE	FARMERS STATE BANK	ROCKPORT	12/10/86
SUMMCORP	FORT WAYNE	INDUSTRIAL TRUST & SAVINGS BANK	MUNCIE	12/11/86
LINCOLN FINANCIAL CORPORATION	FORT WAYNE	ANGOLA STATE BANK	ANGOLA	12/16/86
SUMMCORP	FORT WAYNE	THE EDINBURG STATE BANK	EDINBURGH	12/17/86
MERCHANTS NATIONAL CORPORATION	INDIANAPOLIS	ANDERSON BANKING COMPANY	ANDERSON	12/19/86
STATE BANCORP, INC.	WASHINGTON	THE BANK OF MITCHELL	MITCHELL	12/19/86
MERCHANTS NATIONAL CORPORATION	INDIANAPOLIS	THE NATIONAL BANK OF GREENWOOD	GREENWOOD	12/22/86
MERCHANTS NATIONAL CORPORATION	INDIANAPOLIS	SEYMOUR NATIONAL BANK	SEYMOUR	12/22/86
SUMMCORP	FORT WAYNE	CLINTON COUNTY BANK & TRUST COMPANY	FRANKFORT	12/24/86
MERCHANTS NATIONAL CORPORATION	INDIANAPOLIS	THE CITIZENS NATIONAL BANK OF TIPTON	TIPTON	12/30/86
SUMMCORP	FORT WAYNE	WESTERN STATE BANK	SOUTH BEND	12/30/86
CHARTER 17 BANCORP, INC.	RICHMOND	SECURITY NATIONAL BANK	NEW CASTLE	12/31/86
STAR FINANCIAL GROUP, INC.	MARION	CENTRAL BANK & TRUST	MUNCIE	12/31/86
STAR FINANCIAL GROUP, INC.	MARION	FIRST NATIONAL BANK OF MADISON COUNTY	ANDERSON	12/31/86
STAR FINANCIAL GROUP, INC.	MARION	THE HAMILTON BANK	HAMILTON	12/31/86
STAR FINANCIAL GROUP, INC.	MARION	BANK OF HENRY COUNTY	NEW CASTLE	12/31/86
STAR FINANCIAL GROUP, INC.	MARION	CITIZENS NATIONAL BANK OF WHITLEY COUNTY	COLUMBIA CITY	12/31/86
STAR FINANCIAL GROUP, INC.	MARION	CITIZENS NATIONAL BANK OF GRANT COUNTY	MARION	12/31/86
STAR FINANCIAL GROUP, INC.	MARION	SECURITY BANK	ELWOOD	12/31/86
SUMMCORP	FORT WAYNE	AMERICAN STATE BANK OF SHERIDAN	SHERIDAN	01/16/87
HASTEN BANCORP	INDIANAPOLIS	FIRST NATIONAL BANK, MARTINSVILLE	MARTINSVILLE	02/28/87
HASTEN BANCORP	INDIANAPOLIS	FIRST NATIONAL BANK	KOKOMO	02/28/87
OLD NATIONAL BANCORP	EVANSVILLE	GIBSON COUNTY BANK	PRINCETON	02/28/87
FORT WAYNE NATIONAL CORPORATION	FORT WAYNE	OLD-FIRST NATIONAL BANK IN BLUFFTON	BLUFFTON	03/01/87
OLD NATIONAL BANCORP	EVANSVILLE	SECURITY BANK & TRUST COMPANY	VINCENNES	04/30/87
ST. JOSEPH BANCORPORATION, INC.	SOUTH BEND	FARMERS BANK & TRUST COMPANY	KNOX	04/30/87
MERCHANTS NATIONAL CORPORATION	INDIANAPOLIS	FAYETTE BANK & TRUST COMPANY	CONNERSVILLE	05/20/87
LINCOLN FINANCIAL CORPORATION	FORT WAYNE	SHIPSHEWANA STATE BANK	SHIPSHEWANA	05/29/87
FORT WAYNE NATIONAL CORPORATION	FORT WAYNE	EXCHANGE BANK	WARREN	05/31/87
CNB BANCSHARES, INC.	EVANSVILLE	THE FARMERS NATIONAL BANK OF PRINCETON	PRINCETON	06/30/87
CNB BANCSHARES, INC.	EVANSVILLE	WABASH VALLEY BANK OF VINCENNES	VINCENNES	06/30/87

CHANGE IN THE STATUS OF BANKS
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BANK NAME	CITY	ADDRESS/CITY OR REMARKS	COUNTY	DATE
		PART XIII - REGIONAL BANK HOLDING COMPANIES		
NBD BANCORP, INC.	DETROIT, MI	MIDWEST COMMERCE BANKING COMPANY	ELKHART	06/30/86
BANC ONE CORPORATION	COLUMBUS, OH	BANK OF INDIANA, N.A.	GARY	07/01/86
HUNTINGTON BANCSHARES, INC.	COLUMBUS, OH	THE FIRST NATIONAL BANK OF DANVILLE	DANVILLE	07/07/86
AMERITRUST CORPORATION	CLEVELAND, OH	INDIANA BANK & TRUST COMPANY	MARTINSVILLE	09/16/86
AMERITRUST CORPORATION	CLEVELAND, OH	THE AMERICAN NATIONAL BANK OF NOBLESVILLE	NOBLESVILLE	09/16/86
FIRST NATIONAL CINCINNATI CORPORATION	CINCINNATI, OH	SECOND NATIONAL CORPORATION	RICHMOND	09/30/86
TRUSTCORP, INC.	TOLEDO, OH	THE FIRST NATIONAL BANK IN HUNTINGTON	HUNTINGTON	09/30/86
BANC ONE CORPORATION	COLUMBUS, OH	FIRST NATIONAL BANK IN MARION	MARION	10/01/86
TRUSTCORP, INC.	TOLEDO, OH	SALEM BANK & TRUST COMPANY	GOSHEN	10/01/86
AMERITRUST CORPORATION	CLEVELAND, OH	AMERICAN STATE BANK	LIGONIER	10/09/86
AMERITRUST CORPORATION	CLEVELAND, OH	STATE BANK OF LIMA	HOWE	10/31/86
LIBERTY NATIONAL BANCORP, INC.	LOUISVILLE, KY	THE CORYDON STATE BANK	CORYDON	10/31/86
BANC ONE CORPORATION	COLUMBUS, OH	THE FIRST NATIONAL BANK & TRUST COMPANY	CRAWFORDSVILLE	11/01/86
CITIZENS FIDELITY CORPORATION	LOUISVILLE, KY	FIRST MIDWEST BANK & TRUST	NEW ALBANY	11/13/86
CITIZENS FIDELITY CORPORATION	LOUISVILLE, KY	INDIANA SOUTHERN BANK	SELLERSBURG	11/21/86
AMERITRUST CORPORATION	CLEVELAND, OH	CENTRAL INDIANA BANK, N.A.	FAIRLAND	11/24/86
AMERITRUST CORPORATION	CLEVELAND, OH	UNION BANK & TRUST COMPANY	KOKOMO	11/24/86
FIRST OF AMERICA BANK CORPORATION	KALAMAZOO, MI	FIRST BANK & TRUST COMPANY	SPEEDWAY	11/28/86
HUNTINGTON BANCSHARES, INC.	COLUMBUS, OH	WAINWRIGHT BANK & TRUST COMPANY	NOBLESVILLE	11/30/86
FIRST OF AMERICA BANK CORPORATION	KALAMAZOO, MI	FIRST NATIONAL BANK & TRUST COMPANY OF LA PORTE	LA PORTE	12/12/86
AMERITRUST CORPORATION	CLEVELAND, OH	THE BOONE COUNTY STATE BANK	LEBANON	12/17/86
TRUSTCORP, INC.	TOLEDO, OH	ST. JOSEPH BANCORPORATION, INC.	SOUTH BEND	12/31/86
BANC ONE CORPORATION	COLUMBUS, OH	AMERICAN FLETCHER CORPORATION	INDIANAPOLIS	01/26/87
FIRST KENTUCKY NATIONAL CORPORATION	LOUISVILLE, KY	MUTUAL TRUST BANK	NEW ALBANY	02/02/87
BANC ONE CORPORATION	COLUMBUS, OH	FIRST NATIONAL BANK OF BLOOMINGTON	BLOOMINGTON	06/01/87

Review Analyst Tom DeRosier reviews relevant industry literature.

BANK ROSTER

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BANK NAME	CITY	CHARTER NUMBER	CASH & DUE	TOTAL SECURITIES	TOTAL LOANS	LOAN RESERVE	BANK R.E. & ORE	TOTAL DEPOSITS	NOTES	TOTAL CAPITAL ACCOUNTS	TOTAL ASSETS	(1)*	(2)*	(3)*
Akron Exchange State Bank	Akron	S-631	2,216	6,854	23,486	411	532	29,875	0	2,833	34,035			
Alexandria Banking Company	Alexandria	S-749	4,143	3,729	14,528	816	670	22,674	0	1,222	24,022	1		1
Commercial Bank and Trust Company	Alexandria	T-131	1,944	12,363	15,035	115	465	27,345	0	3,069	31,522	2		
Anderson Banking Company	Anderson	S-470	21,670	136,279	102,715	1,106	4,643	236,154	0	23,511	284,613	10		7
Citizens Banking Company	Anderson	S-748	10,317	34,745	97,164	1,337	7,766	131,889	1,250	9,248	156,332	5		5
Angola State Bank	Angola	S-690	5,649	13,469	37,635	209	1,927	58,392	0	4,379	63,673	2		2
Arlington State Bank	Arlington	S-685	3,977	4,931	13,374	294	790	21,557	0	1,655	23,455	1		
The Auburn State Bank	Auburn	S-185	4,421	52,108	26,804	242	407	71,008	0	11,613	85,388			2
Austin State Bank	Austin	S-318	4,580	542	154	0	85	5,196	0	1,376	6,699			
Community State Bank	Avilla	S-737	1,331	23,627	15,129	374	217	38,719	0	3,235	42,643			
Batesville State Bank	Batesville	S-39	1,915	30,231	30,581	376	1,151	59,017	0	6,528	66,752			1
The First Bank and Trust Company of Batesville	Batesville	S-852	4,146	47,307	34,064	472	589	78,466	0	9,151	91,169	1		
The Bath State Bank	Bath	S-663	3,840	2,247	16,456	222	522	22,180	0	1,611	24,033			
The Stone City Bank	Bedford	S-866	784	19,296	12,360	165	184	26,733	0	3,447	32,948			
Bentonville State Bank	Bentonville	S-817	1,084	6,635	12,170	267	268	22,136	0	1,284	23,551	3		1
First Bank of Berne	Berne	S-68	4,184	60,431	63,107	613	222	114,941	0	12,328	130,209	1		
The Bippus State Bank	Bippus	S-370	1,236	7,282	15,109	239	447	22,969	0	1,804	25,020	1		
Bloomfield State Bank	Bloomfield	S-273	6,635	30,545	43,756	867	1,342	75,126	0	7,208	83,036	4	1	
Monroe County Bank	Bloomington	S-89	13,864	26,678	99,534	1,221	4,043	143,494	0	10,196	159,708	4	3	5
Farmers & Merchants Bank	Bluffton	S-757	15,028	34,723	27,338	377	107	77,187	0	7,983	86,109	1		
Peoples Trust and Savings Bank	Boonville	T-164	7,184	44,008	23,168	183	474	67,730	0	12,325	80,588			
The Farmers and Merchants Bank	Boswell	S-169	1,381	17,176	20,372	178	402	36,567	0	3,641	40,825	1		
The First State Bank	Bourbon	S-142	1,487	22,605	17,195	257	446	44,924	0	8,210	53,643	1		
First Bank and Trust Company of Clay County	Brazil	T-11	2,968	36,512	44,793	397	1,824	82,600	0	6,498	90,160	1	1	2
Community State Bank	Brook	S-740	2,293	10,486	9,133	102	236	20,107	0	3,142	23,582			
The Farmers State Bank	Brookston	S-222	556	3,154	19,136	237	846	23,006	0	2,569	25,862		1	
Peoples Trust Company	Brookville	T-167	2,836	15,276	37,060	394	1,032	51,875	0	5,026	57,516	3		1
Hendricks County Bank and Trust Company	Brownsburg	S-303	6,629	24,832	24,948	110	895	55,676	0	5,635	62,310	2		3
The Peoples Bank	Brownstown	T-196	2,273	20,201	21,185	232	924	46,135	0	3,561	50,056	2		
First Bank of Carroll County	Burlington	S-445	1,613	4,608	16,102	198	426	23,708	0	2,049	25,975	2		

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BANK NAME	CITY	CHARTER NUMBER	CASH & DUE	TOTAL SECUR-ITIES	TOTAL LOANS	LOAN RESERVE	BANK R.E. & ORE	TOTAL DEPOSITS	NOTES	TOTAL CAPITAL ACCOUNTS	TOTAL ASSETS	(1)*	(2)*	(3)*
State Bank of Burnettsville	Burnettsville	S-267	846	6,126	6,665	68	79	12,589	0	1,775	14,498			
Wayne Bank and Trust Company	Cambridge City	T-114	13,229	1,687	20,526	192	73	32,021	0	2,980	35,592	2		
Salin Bank	Camden	S-548	1,101	8,662	28,965	374	820	36,814	0	3,166	40,404	1		
Bank One, Carmel	Carmel	S-863	1,940	0	10,448	341	1,211	16,126	0	1,396	18,138		1	
Union State Bank	Carmel	S-647	29,333	18,490	129,554	1,482	1,521	169,058	0	12,569	183,968	5		5
Farmers State Bank Rush County	Carthage	S-617	2,071	7,158	10,276	124	108	17,447	0	1,912	19,902			
Madison County Bank and Trust	Chesterfield	S-861	2,918	730	5,925	104	497	9,145	0	880	10,086	1		
Chesterton State Bank	Chesterton	S-339	9,455	27,226	69,155	690	2,281	101,513	0	8,332	112,257	5		6
Chrisney State Bank	Chrisney	S-260	1,944	6,407	9,492	189	95	17,255	0	2,324	19,850			
Churubusco State Bank	Churubusco	S-696	2,243	19,720	39,260	552	1,084	60,561	0	5,016	66,678			
Clinton State Bank	Clinton	S-850	3,250	18,545	27,062	244	396	42,242	0	7,126	49,677			
The Farmers Loan and Trust Company	Columbia City	S-86	4,687	36,843	27,948	117	288	67,364	0	7,712	75,640	1		
Columbus Bank and Trust Company	Columbus	S-869	7,980	18,119	49,083	590	1,092	64,118	0	4,699	76,592	2		1
Irwin Union Bank and Trust Company	Columbus	T-738	35,658	31,353	164,330	2,133	4,316	235,989	0	17,362	264,112	7		5
Central State Bank	Connersville	S-263	14,505	12,993	30,659	265	2,120	61,298	0	4,840	67,779	2		2
Fayette Bank and Trust Company	Connersville	T-34	8,806	39,073	25,720	326	1,119	69,486	0	7,101	78,668	4		
Old Capital Bank and Trust Company	Corydon	S-213	5,741	21,889	123,504	1,245	2,053	143,868	63	12,165	158,713	3		3
Bank of Western Indiana	Covington	S-874	2,152	17,919	32,489	544	1,786	49,639	0	4,157	54,689	4		
The Fountain Trust Company	Covington	T-53	3,515	50,338	20,571	200	1,267	70,639	0	10,666	82,260	4		
Elston Bank and Trust Company	Crawfordsville	T-227	8,441	59,967	59,518	1,128	2,704	116,047	0	13,440	133,053	5		2
The Cromwell State Bank	Cromwell	S-837	887	4,628	18,785	171	416	27,158	0	2,375	29,802	1		
Lake County Trust Company	Crown Point	T-264	8	700	0	0	0	0	0	678	702			
NorCen Bank	Culver	S-802	4,431	19,613	63,725	1,911	2,107	85,991	0	5,949	92,731	3		
The Cynthiana State Bank	Cynthiana	S-232	1,248	9,591	25,995	219	1,338	32,737	0	3,980	38,785	2		
The Dale State Bank	Dale	S-351	2,870	18,658	26,915	208	885	44,685	0	4,631	50,767	2		
Mid State Bank of Hendricks County	Danville	S-190	20,000	24,775	45,049	687	2,293	85,522	0	8,912	95,997	5		4
Farmers & Merchants State Bank	Darlington	S-259	413	3,152	1,706	15	54	4,885	0	606	5,508			
Decatur Bank and Trust Company	Decatur	S-851	3,340	11,565	30,251	392	525	39,736	450	3,112	45,906	2		
The First State Bank of Decatur	Decatur	S-731	6,481	23,644	77,297	1,058	1,591	97,552	0	9,477	111,418	2		1
Union Bank and Trust Company	Delphi	T-259	2,610	14,760	41,970	647	224	58,369	0	6,070	65,452			1

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BANK NAME	CITY	CHARTER NUMBER	CASH & DUE	TOTAL SECURITIES	TOTAL LOANS	LOAN RESERVE	BANK R.E. & ORE	TOTAL DEPOSITS	NOTES	TOTAL CAPITAL ACCOUNTS	TOTAL ASSETS	(1)*	(2)*	(3)*
DeMotte State Bank	DeMotte	S-821	2,499	36,777	30,819	380	1,097	70,015	0	5,860	76,642	1	1	1
The First State Bank of Dunkirk	Dunkirk	S-122	1,443	9,684	14,262	191	380	22,790	0	2,390	26,044			
Dupont State Bank	Dupont	S-340	1,069	2,178	5,118	94	124	8,125	0	802	8,996			
Summit Bank of Johnson County	Edinburgh	S-793	1,466	5,104	27,648	421	962	32,531	0	2,267	35,805	2	1	
The Elberfeld State Bank	Elberfeld	S-229	2,844	12,522	11,410	151	302	23,912	0	3,273	27,438			
Bank One, Elkhart	Elkhart	S-865	2,977	11,112	36,948	353	923	45,722	0	3,735	52,357	2	1	
Midwest Commerce Banking Company	Elkhart	S-12	50,045	78,776	453,338	6,183	7,954	521,459	272	40,128	616,561	15	1	13
The Peoples State Bank	Ellettsville	S-202	3,635	13,647	24,600	190	2,004	41,363	80	3,285	45,293	2		2
Security Bank	Elwood	S-761	3,292	16,866	25,434	352	1,031	46,124	0	3,970	50,711	4		
Morgan County Bank and Trust Company	Eminence	S-449	1,467	6,011	15,932	321	354	22,875	0	1,743	24,711	2		2
English State Bank	English	S-673	1,475	12,867	24,728	360	492	37,153	0	4,463	42,071	3		
Evansville Morris Plan	Evansville	N-005	2,503	3,084	68,108	1,022	1,023	63,868	0	9,983	79,031	5		
The Peoples Savings Bank of Evansville	Evansville	SAV-5	8,854	19,783	93,262	836	6,767	116,933	0	9,382	131,819	3		3
Thrift, Incorporated	Evansville	N-004	0	0	0	0	0	0	0	50	50			
The Fairmount State Bank	Fairmount	S-209	1,984	15,879	11,890	243	1,095	28,451	0	2,781	31,604			
The Citizens State Bank of Fairmount	Fairmount	S-367	1,709	6,189	12,393	122	277	18,891	0	1,645	20,725			
Peoples State Bank	Farmersburg	S-790	3,811	16,859	8,329	88	177	28,032	0	3,656	31,989	2		
The Farmers and Merchants Bank of Fort Branch	Fort Branch	S-867	2,592	13,651	29,651	454	822	42,795	0	4,438	48,820			1
Summit Bank	Fort Wayne	T-47	83,238	364,637	937,282	15,586	18,149	1,180,783	1,705	84,452	1,410,199	23	1	19
Fowler State Bank	Fowler	S-750	3,444	28,556	29,552	434	609	51,887	0	7,625	63,259	1		
Peoples State Bank of Francesville	Francesville	S-725	982	10,327	19,791	351	278	27,844	0	3,535	31,854			
The Francisco State Bank	Francisco	S-307	1,390	4,768	3,807	40	135	11,568	0	1,150	12,804			
Clinton County Bank and Trust Company	Frankfort	T-189	6,022	46,817	55,029	1,010	2,218	102,050	0	10,499	115,684	4		
The Farmers Bank	Frankfort	S-10	8,721	49,285	82,730	1,078	4,097	132,320	0	14,025	151,258	4		2
Bank One, Franklin	Franklin	T-137	17,862	13,231	45,021	457	2,272	72,491	0	7,512	80,676	4	1	3
Franklin Bank and Trust Company	Franklin	T-142	9,336	25,975	129,244	2,044	4,817	159,600	0	13,675	178,494	8	1	6
Springs Valley Bank and Trust Company	French Lick	S-878	13,617	14,492	74,144	726	1,891	125,828	0	9,363	136,929	1	1	4
The Friendship State Bank	Friendship	S-398	1,202	7,702	11,668	172	255	18,290	0	2,096	21,053			
The Garrett State Bank	Garrett	S-88	3,325	10,576	23,568	149	511	35,287	0	3,237	38,819			1
Bank of Geneva	Geneva	S-107	1,988	13,117	43,006	525	967	56,437	0	4,641	62,096	2		

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BANK NAME	CITY	CHARTER NUMBER	CASH & DUE	TOTAL SECURITIES	TOTAL LOANS	LOAN RESERVE	BANK R.E. & ORE	TOTAL DEPOSITS	NOTES	TOTAL CAPITAL ACCOUNTS	TOTAL ASSETS	(1)*	(2)*	(3)*
Goodland State Bank	Goodland	S-742	1,420	4,865	14,118	265	406	20,074	0	1,986	23,087			
Salem Bank and Trust Company	Goshen	T-26	27,620	51,456	171,657	1,619	5,059	222,484	0	20,532	260,254	7	1	7
Grabill Bank	Grabill	S-824	10,641	25,393	38,495	339	1,023	68,614	0	6,306	76,333	2		
First-Citizens Bank and Trust Company	Greencastle	T-151	3,540	18,370	34,930	241	1,250	52,358	80	4,644	58,952	2		1
Greenfield Banking Company	Greenfield	S-808	6,909	49,142	61,955	895	2,652	122,535	0	11,572	136,902	4		
Hancock Bank and Trust	Greenfield	S-634	15,833	21,409	35,915	531	2,156	72,642	0	6,354	81,083	5		1
Decatur County Bank	Greensburg	S-857	6,606	37,033	32,908	333	1,009	74,207	0	6,487	82,043			1
Union Bank and Trust Company of Greensburg	Greensburg	T-70	10,685	30,892	68,712	548	3,255	103,613	0	7,972	114,738	4		
The Bargersville State Bank	Greenwood	S-315	7,250	21,454	76,154	680	1,982	103,397	250	7,694	114,227	6	1	4
The Hamilton Bank	Hamilton	S-30	954	3,644	12,190	182	510	17,201	0	1,436	18,791	1		
The Hamlet State Bank	Hamlet	S-380	2,202	13,490	9,788	254	392	27,246	0	3,750	31,124	1	1	
The Citizens State Bank	Hartford City	S-16	3,082	22,787	23,660	290	1,359	45,800	0	5,165	51,977	3		2
Pacesetter Bank of Hartford City	Hartford City	S-882	1,521	7,969	13,547	169	588	22,834	0	1,999	24,956	1		
Haubstadt State Bank	Haubstadt	S-765	5,722	13,634	18,683	302	374	37,160	0	4,042	41,975			
Bank of Highland	Highland	S-856	15,475	48,964	78,167	1,000	1,927	133,045	0	11,041	145,875	3		10
State Bank of Lima	Howe	S-603	821	10,857	15,432	126	525	28,502	0	2,844	31,996			
Community State Bank in Huntington	Huntington	S-840	7,915	28,779	38,713	236	834	66,778	0	6,939	78,263	2		
Citizens Bank	Indianapolis	P-246	16	0	0	0	0	1	0	15	16			
First of America Bank-Indianapolis	Indianapolis	S-711	22,989	69,343	164,342	2,407	3,919	242,982	500	22,725	269,808	9		4
Indianapolis Morris Plan Corporation	Indianapolis	N-021	10,230	97,798	160,904	1,826	8,913	256,957	1,559	20,932	282,173	9		6
Peoples Bank & Trust Company	Indianapolis	S-129	11,871	75,971	126,662	978	7,916	196,931	0	18,297	224,403	12		9
Dubois County Bank	Jasper	S-26	44,968	25,229	162,005	1,528	7,380	215,855	0	19,329	245,059	7		4
The German American Bank	Jasper	S-353	16,796	36,769	121,660	1,346	5,423	169,961	0	14,565	189,724	8		5
Jasper State Bank	Jasper	S-875	4,605	8,416	28,091	280	408	41,785	0	3,298	45,744			
CommerceAmerica Banking Company	Jeffersonville	T-090	18,227	88,276	199,662	2,088	7,556	288,948	0	28,184	322,188	14	1	13
Summit Bank of Kendallville	Kendallville	S-847	3,055	12,756	36,725	470	646	50,831	9	4,263	56,424			
The Campbell and Fetter Bank	Kendallville	S-838	19,914	28,761	39,608	450	2,093	34,617		6,362	93,605	3	2	4
Kentland Bank	Kentland	S-411	8,140	28,253	31,884	654	1,494	63,603	0	6,421	71,509	2		
Farmers Bank and Trust Company	Knox	T-252	1,791	21,015	16,700	253	499	42,069	0	3,555	45,913	3	1	
Union Bank and Trust Company	Kokomo	T-247	57,455	107,495	137,632	1,717	8,157	276,824	0	25,846	328,201	5		8

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BANK NAME	CITY	CHARTER NUMBER	CASH & DUE	TOTAL SECURITIES	TOTAL LOANS	LOAN RESERVE	BANK R.E. & ORE	TOTAL DEPOSITS	NOTES	TOTAL CAPITAL ACCOUNTS	TOTAL ASSETS	(1)*	(2)*	(3)*
La Porte Bank and Trust Company	La Porte	T-257	13,059	48,118	68,278	809	2,700	119,528	2,400	7,983	134,389	3		3
La Porte Savings Bank	La Porte	SAV-4	7,234	13,800	39,452	2,025	1,675	85,986	0	3,926	90,253			
Lafayette Bank and Trust Company	Lafayette	T-7	19,615	67,753	119,516	1,190	5,956	191,393	0	16,503	215,144	4		6
Gateway Bank/Indiana	LaGrange	S-868	487	2,727	9,059	207	256	14,469	0	1,020	15,728	1		
Farmers State Bank	LaGrange	S-465	3,963	41,677	49,017	594	1,387	98,052	0	7,787	107,706	3		
The Farmers State Bank	Lanesville	S-347	1,044	7,254	12,644	118	178	19,491	0	2,035	21,727	1		
Farmers and Merchants Bank	LaOtto	S-789	762	8,725	13,311	211	594	24,179	0	1,954	26,775		1	
American State Bank	Lawrenceburg	S-233	6,136	1,386	11,146	114	1,018	23,087	0	1,346	25,058	2		2
The Boone County State Bank	Lebanon	S-373	6,454	39,234	77,998	1,192	4,687	114,634	0	10,312	129,267	5	1	3
American State Bank	Ligonier	S-706	5,757	11,622	39,203	606	912	51,854	0	3,972	57,645	4		
Linden State Bank	Linden	S-803	1,023	6,600	11,390	144	501	18,985	0	2,226	22,451	1		
Peoples Trust Company	Linton	T-206	3,911	87,450	27,081	141	717	109,356	0	8,964	121,859	4		
State Bank of Lizton	Lizton	S-582	4,858	28,474	32,168	473	1,304	66,585	0	5,486	72,808	2	1	3
The Farmers and Merchants State Bank	Logansport	S-298	5,908	25,777	92,025	1,074	2,498	117,927	0	8,888	129,755	5		2
The Union Bank	Loogootee	S-712	757	17,778	22,587	350	421	36,540	0	5,556	42,661			
Farmers State Bank	Losantville	S-592	893	1,189	6,267	8	74	10,642	0	637	11,415			
The Madison Bank and Trust Company	Madison	T-56	13,521	31,686	94,246	862	3,048	135,694	0	13,352	152,026	4		3
Marengo State Bank	Marengo	S-785	3,117	358	9,515	163	330	13,836	0	779	14,775	1		
Summit Bank of Marion	Marion	S-876	27,357	26,456	81,219	841	1,962	119,523	0	12,360	139,580	2	1	3
State Bank of Markle	Markle	S-836	5,939	7,548	20,796	239	687	31,162	0	3,985	35,476			
Indiana Bank and Trust Company	Martinsville	T-262	5,455	15,950	30,960	437	1,144	53,502	0	4,378	58,244	2		2
State Bank of Medora	Medora	S-762	1,756	4,610	9,776	51	242	15,516	0	1,397	17,182			
Farmers State Bank	Mentone	S-584	5,816	6,832	23,843	331	1,241	38,647	0	3,273	44,020	3		
Lakeshore Bank and Trust Company	Michigan City	S-864	6,007	13,331	11,932	209	1,354	28,836	0	1,990	32,806		1	1
First State Bank of Middlebury	Middlebury	S-354	5,418	17,694	39,661	419	477	59,487	0	5,046	66,125			
First United Bank	Middletown	S-19	2,098	12,147	24,329	262	1,128	41,152	0	3,618	45,089	3		
The Bank of Mitchell	Mitchell	S-778	7,912	10,171	14,971	152	296	31,207	250	2,121	33,823	2		
State and Savings Bank	Monticello	S-753	7,637	35,114	61,772	884	1,246	102,750	0	8,654	112,620	4		1
Pacesetter Bank of Montpelier	Montpelier	S-816	620	7,969	12,437	188	288	20,617	0	1,702	22,565			1
Citizens Bank	Mooresville	S-738	4,568	21,789	52,370	702	1,757	74,011	0	7,305	82,343	4		2

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BANK NAME	CITY	CHARTER NUMBER	CASH & DUE	TOTAL SECURITIES	TOTAL LOANS	LOAN RESERVE	BANK R.E. & ORE	TOTAL DEPOSITS	NOTES	TOTAL CAPITAL ACCOUNTS	TOTAL ASSETS	(1)*	(2)*	(3)*
First State Bank	Morgantown	S-713	5,920	10,953	9,352	100	393	24,370	0	3,031	27,534			
Peoples Bank and Trust Company	Mount Vernon	T-92	2,613	41,142	48,801	945	258	78,891	0	14,299	100,195			1
Central Bank and Trust	Muncie	S-325	4,137	12,193	29,390	596	1,246	47,688	0	4,038	52,067	5		2
Industrial Trust and Savings Bank	Muncie	T-263	11,154	25,242	96,043	1,201	6,392	123,536	0	9,047	142,388	6		3
The Naploeon State Bank	Napoleon	S-176	1,045	2,645	27,655	350	816	35,528	0	2,360	38,361	1		
Citizens Fidelity Bank & Trust Co. Floyd County	New Albany	S-870	9,496	142,556	145,907	2,374	3,600	231,589	0	23,636	332,662	7		7
Mutual Trust Bank	New Albany	T-62	8,666	39,780	62,620	1,043	2,415	117,554	0	9,033	128,350	5		3
Citizens State Bank of New Castle	New Castle	S-3	7,555	59,526	40,554	403	1,927	104,496	0	11,170	116,872	9		2
Bank of Henry County	New Castle	S-547	1,611	4,401	15,420	342	945	21,375	0	1,580	23,129	3		
New Palestine Bank	New Palestine	S-764	9,828	13,151	19,720	201	813	41,194	0	3,859	45,316	1		2
Farmers State Bank	New Ross	S-563	416	5,115	3,408	97	10	8,006	0	1,973	10,092			
The New Washington State Bank	New Washington	S-295	6,238	22,032	15,872	199	830	45,051	0	3,608	49,276	1		
The Citizens State Bank	Newport	S-204	2,571	35,601	19,397	631	712	49,447	0	8,315	58,621	2		
Wainwright Bank and Trust Company	Noblesville	T-30	8,242	17,013	37,257	437	2,380	63,669	0	4,747	71,583	5	1	5
American State Bank of North Judson	North Judson	S-638	2,663	26,756	24,588	260	1,123	53,068	0	4,468	57,994	2		
Indiana Lawrence Bank	N. Manchester	T-244	3,252	36,304	37,504	640	1,033	71,915	0	4,628	80,107	3		1
The North Salem State Bank	North Salem	S-644	810	3,409	9,509	95	322	11,862	0	1,967	14,230			
Union Bank and Trust Company	North Vernon	T-254	3,236	28,901	21,933	238	1,306	55,534	0	4,331	60,700	2		
First Bank and Trust Company of Oakland City	Oakland City	S-860	1,872	11,852	18,557	188	639	30,710	0	2,900	34,422			
The Bank of Orleans	Orleans	S-758	3,113	17,495	20,377	273	363	39,171	0	3,230	42,670			
The Ripley County Bank	Osgood	S-28	1,607	19,874	30,659	502	1,301	50,453	0	5,117	56,283	1		1
Ossian State Bank	Ossian	S-402	3,440	17,450	21,832	220	556	40,838	0	3,873	45,402			1
The Otwell State Bank	Otwell	S-183	1,765	4,126	5,837	97	115	10,717	0	1,253	12,111			
State Bank of Oxford	Oxford	S-146	1,089	19,432	17,744	296	395	34,273	0	4,662	39,666	1		
Harrison County Bank	Palmyra	S-806	1,720	15,241	21,107	205	646	34,931	0	4,588	39,884	1	1	
Orange County Bank	Paoli	S-58	2,495	28,922	25,128	308	1,015	54,466	0	4,999	60,610	1		
The Parker Banking Company	Parker City	S-413	874	956	14,938	123	532	17,345	0	1,617	19,159	1	1	
Pendleton Banking Company	Pendleton	S-220	2,716	15,639	28,232	614	1,678	46,789	0	4,403	52,128	4		
The Peru Trust Company	Peru	T-57	4,900	28,427	42,472	763	1,106	72,050	0	5,840	79,084	6		4
Wabash Valley Bank and Trust Company	Peru	T-59	24,615	26,609	56,441	695	1,508	93,190	0	8,172	110,030	5		3

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BANK NAME	CITY	CHARTER NUMBER	CASH & DUE	TOTAL SECUR-ITIES	TOTAL LOANS	LOAN RESERVE	BANK R.E. & ORE	TOTAL DEPOSITS	NOTES	TOTAL CAPITAL ACCOUNTS	TOTAL ASSETS	(1)*	(2)*	(3)*
Citizens State Bank	Petersburg	S-5	4,911	17,772	28,036	299	899	49,660	0	6,336	56,530	1		2
Pike County Bank	Petersburg	S-880	2,774	4,597	18,242	186	578	26,955	0	2,683	29,926			1
First State Bank	Poland	S-787	6,658	4,923	11,996	83	351	22,269	0	1,672	24,434	1		
First State Bank of Porter	Porter	S-570	2,499	16,270	14,890	346	959	31,465	0	3,685	35,615	2		2
The Citizens Bank of Portland	Portland	S-814	5,118	5,327	24,213	371	674	37,597	0	3,028	41,250	1		
The Peoples Bank	Portland	S-1	5,565	18,697	32,808	1,004	1,449	61,110	0	757	62,276	3		
Gibson County Bank	Princeton	S-157	1,889	28,727	24,332	184	950	61,179	0	6,066	67,677	2		2
State Bank of Rensselaer	Rensselaer	S-192	5,856	34,463	22,881	222	1,365	62,237	0	4,857	68,334	3		3
Bank of Reynolds	Reynolds	S-440	4,105	9,397	38,946	713	631	51,345	0	2,601	55,007	2		
Rising Sun State Bank	Rising Sun	S-123	4,476	6,038	10,503	89	395	21,831	0	2,618	24,724			1
Tri-County Bank and Trust Company	Roachdale	T-255	2,599	11,353	24,396	293	995	35,715	0	3,915	40,167	2		
Farmers & Merchants Bank of Rochester	Rochester	S-791	1,685	29,793	22,063	276	1,339	51,788	0	4,730	57,068	2		
Leiters Ford State Bank	Rochester	S-609	936	2,000	15,199	280	1,115	21,761	0	355	21,680	2		
Farmers State Bank	Rockport	S-46	1,469	6,310	16,925	139	703	22,163	0	3,176	26,002	1		
The Parke State Bank	Rockville	S-96	2,383	27,825	37,758	440	1,603	63,116	0	7,877	72,152	4		1
Community State Bank	Royal Center	S-723	2,787	15,926	16,943	205	460	33,385	0	4,213	38,032			
Farmers-Citizens Bank	Salem	S-736	2,878	64,441	40,973	440	409	94,625	0	15,469	111,273	3		
The State Bank of Salem	Salem	S-809	4,571	22,106	32,425	431	884	57,283	0	4,450	62,328	1		
Spencer County Bank	Santa Claus	S-280	1,007	7,206	16,886	120	556	27,066	150	3,032	30,811	2		
The Saratoga State Bank	Saratoga	S-177	432	7,828	10,441	104	299	17,491	0	1,684	19,425			
The Scott County State Bank	Scottsburg	S-53	2,789	23,261	32,065	617	935	57,737	0	5,005	63,388	2		1
Citizens Fidelity Bank & Trust Co. Clark County	Sellersburg	S-313	5,349	24,096	81,885	1,607	3,789	104,956	0	6,544	121,015	7		8
Jackson County Bank	Seymour	T-21	7,185	30,684	60,602	607	2,395	91,263	0	7,606	101,942	2	1	3
Summit Bank of Hamilton County	Sheridan	S-443	7,168	10,538	22,350	460	486	39,623	0	3,993	43,995	1	1	
Shipshewana State Bank	Shipshewana	S-792	6,290	22,958	78,370	1,276	1,550	106,149	0	7,808	115,956	3		
The Martin County Bank	Shoals	S-29	5,759	1,735	23,749	229	2,190	31,780	0	2,880	35,618	1		
Fidelity Investment, Inc	South Bend	N-010	588	928	17,028	262	429	16,095	0	2,632	20,518	1		2
First Source Bank	South Bend	T-217	74,437	275,803	637,696	10,626	12,400	871,812	4,032	64,351	1,056,302	21	6	17
St. Joseph Bank and Trust Company	South Bend	T-260	34,337	138,105	345,333	3,474	9,974	454,430	2,400	34,969	569,025	13	1	12
Summit Bank of South Bend	South Bend	T-733	840	481	2,163	39	368	6,555	0	1,622	8,240	1		

INSTITUTIONS 253

BANK NAME	CITY	CHARTER NUMBER	CASH & DUE	TOTAL SECURITIES	TOTAL LOANS	LOAN RESERVE	BANK R.E. & ORE	TOTAL DEPOSITS	NOTES	TOTAL CAPITAL ACCOUNTS	TOTAL ASSETS	(1)*	(2)*	(3)*
Valley American Bank and Trust Company	South Bend	S-576	26,644	56,087	269,543	3,020	13,130	316,887	2,950	26,299	375,955	18	1	11
Greensfork Township State Bank	Spartansburg	S-643	3,195	2,612	3,031	53	82	8,243	0	1,009	9,343			
Owen County State Bank	Spencer	S-779	6,419	20,314	50,288	550	1,106	72,105	0	6,643	79,215	2		1
The Spurgeon State Bank	Spurgeon	S-877	2,316	1,429	14,171	166	270	16,990	0	1,308	18,510	1		
Farmers State Bank of Sullivan	Sullivan	S-843	8,713	9,988	31,026	629	1,073	48,052	0	4,375	53,007	3		
Sullivan State Bank	Sullivan	S-797	12,857	38,675	35,839	338	524	82,380	1,000	5,804	93,282	2		1
Summitville Bank and Trust Company	Summitville	T-149	685	1,428	3,148	41	41	6,032	0	727	6,806			
Peoples Bank and Trust Company	Sunman	T-256	1,915	17,406	13,130	108	292	29,677	0	4,406	34,530			
Grant County State Bank	Swayzee	S-815	2,295	11,337	8,151	215	360	19,709	0	2,312	22,324			
The Farmers State Bank	Sweetser	S-408	1,174	2,663	5,077	37	172	7,602	0	1,669	9,450	1		
State Bank of Syracuse	Syracuse	S-305	5,112	7,662	39,456	467	726	51,432	100	3,482	56,038	3	1	1
Indiana State Bank of Terre Haute	Terre Haute	S-238	4,053	51,007	31,059	366	349	75,188	0	16,976	92,646	3		
Morris Plan Company	Terre Haute	N-011	334	883	6,098	108	157	5,701	0	1,546	7,671			
Terre Haute Savings Bank	Terre Haute	SAV-3	2,333	73,571	24,309	225	672	95,776	0	7,337	103,947			1
Farmers Loan and Trust Company	Tipton	T-79	5,425	26,658	38,514	433	738	66,625	0	5,412	73,591	2		
Union Trust Company	Union City	T-251	1,124	16,302	21,087	200	465	35,523	0	3,620	39,502			
Northern Indiana Bank and Trust Company	Valparaiso	S-526	19,478	103,488	125,969	3,642	6,750	240,739	0	18,424	266,110	14		6
The Veedersburg State Bank	Veedersburg	S-798	1,782	7,110	5,939	61	168	13,730	0	1,685	15,630	1		
Bank of Versailles	Versailles	S-63	2,482	4,486	5,111	60	245	13,735	0	1,186	15,054	2		
Vevay Deposit Bank	Vevay	S-72	2,931	13,371	15,667	252	845	31,575	0	2,445	34,429	3		
Security Bank and Trust Company	Vincennes	T-258	4,586	61,150	58,208	2,572	3,445	117,745	0	12,099	130,982	5		3
Wabash Valley Bank of Vincennes	Vincennes	S-879	2,566	2,424	18,436	275	2,114	28,277	0	2,629	31,324	1		1
Frances Slocum Bank and Trust Company	Wabash	S-849	4,717	24,391	50,829	656	1,249	73,818	63	5,496	82,124	3	1	
Farmers Bank and Trust Company	Wadesville	S-819	9,004	36,937	68,230	655	1,962	102,541	0	12,738	117,528	3	1	4
Exchange Bank	Warren	S-786	1,955	29,473	18,903	272	136	49,378	0	6,487	56,515			
Counting House Bank	Warsaw	S-477	1,052	2,456	14,745	253	2,056	20,314	0	(3)	20,871	2		
Lake City Bank	Warsaw	S-9	28,450	28,118	126,436	1,828	4,110	179,580	382	13,117	198,456	9	2	4
The State Bank of Washington	Washington	S-331	9,240	9,449	21,954	218	1,354	36,278	0	2,510	42,353	2		2
United Southwest Bank	Washington	T-40	7,702	27,100	57,410	1,106	1,436	87,003	0	6,992	96,236	4		
Citizens State Bank	Waterloo	S-625	585	9,307	2,084	17	20	11,759	0	1,212	13,216			

INSTITUTIONS 253

BANK NAME	CITY	CHARTER NUMBER	CASH & DUE	TOTAL SECUR-ITIES	TOTAL LOANS	LOAN RESERVE	BANK R.E. & ORE	TOTAL DEPOSITS	NOTES	TOTAL CAPITAL ACCOUNTS	TOTAL ASSETS	(1)*	(2)*	(3)*
Farmers State Bank	W. College Corner	S-799	1,924	2,727	15,182	157	859	19,796	0	1,631	21,729	1		
The Merchants Bank and Trust Company	West Harrison	T-243	7,524	8,151	19,638	146	1,883	35,772	0	3,705	39,800	1		1
American Trust and Savings Bank of Whiting	Whiting	T-204	9,777	27,730	20,808	201	276	55,135	0	4,502	59,993			1
The First Bank of Whiting	Whiting	S-490	35,505	51,050	134,710	2,865	4,620	213,420	0	15,961	230,976	11		5
The Citizens State Bank	Williamsport	S-707	2,202	18,797	17,973	173	887	41,896	0	3,629	46,107	2		
First Union Bank and Trust Company	Winamac	T-188	2,668	44,040	51,538	470	932	95,704	0	8,764	105,977	2	1	
Peoples Loan and Trust Bank	Winchester	T-32	3,101	14,411	41,716	479	453	59,722	0	4,694	65,147	4	1	
The Randolph County Bank	Winchester	S-807	1,940	23,309	26,489	276	292	50,243	0	4,450	55,133			
Union State Bank	Windfall	S-80	1,815	7,555	13,223	207	588	30,291	0	3,927	34,579	5		
Bank of Wolcott	Wolcott	S-829	1,880	11,794	11,179	159	236	24,822	0	3,415	28,600			
Worthington State Bank	Worthington	S-763	727	20,995	16,605	286	196	33,038	0	3,395	38,929			
Farmers State Bank of Wyatt	Wyatt	S-678	2,877	29,106	29,084	720	578	59,380	0	5,371	65,222	2		
Mid State Bank	Zionsville	S-639	10,694	22,551	44,914	595	1,777	75,223	0	8,392	85,015	7		2
												647	47	362

(1)* NUMBER OF BRANCHES LOCATED IN THE SAME COUNTY AS THE MAIN OFFICE

(2)* NUMBER OF BRANCHES LOCATED IN A COUNTY CONTIGUOUS TO THE COUNTY OF THE MAIN OFFICE

(3)* NUMBER OF AUTOMATED TELLER MACHINES

SCHEDULE A

SUMMARY OF REPORTS OF CONDITION OF FIVE INDUSTRIAL LOAN AND INVESTMENT COMPANIES
ISSUING CERTIFICATES OF INVESTMENT OF INDEBTEDNESS AS OF JUNE 30, 1987
(AMOUNTS ROUNDED TO NEAREST THOUSAND)

	6/30/87	12/31/86	6/30/86	12/31/85
ASSETS:				
Loans and Discounts	260,261	249,040	266,245	285,557
Less: reserve for possible loan losses	3,218	3,798	4,492	4,337
Loans Net	257,043	245,242	261,753	281,220
United States Goverment Obligations	50,094	31,332	39,101	9,778
Other Bonds and Securities	52,599	80,033	48,845	48,995
Certificates of Deposit	100	1,500	0	100
Cash on Hand and Due from banks	13,555	12,644	13,452	11,876
Real Estate used in business	5,128	6,242	6,749	6,844
Furniture and Fixtures, etc.	1,343	204	216	3,500
Other Real Estate	4,051	239	230	193
Prepaid Expenses	440	400	322	278
Accounts Receivable	263	117	101	73
Deferred Charges	435	603	990	1,106
Other Assets	5,751	12,801	12,342	21,749
TOTAL ASSETS	390,802	391,357	384,101	385,712
Unhypothecated Certificates of Investment	342,621	343,826	346,588	338,841
Notes Payable	50	0	35	87
Accounts Payable	831	261	47	994
Unearned Discount	8,123	9,508	0	9,260
Accrued Expenses	387	277	418	488
Dealers' Reserve	121	122	118	128
Reserve for Taxes,Interest,ect.	1,552	444	1,505	1,920
Other Liabilities	415	736	690	343
TOTAL LIABILITIES	354,100	355,174	349,401	352,061
CAPITAL ACCOUNT:				
Subordinated notes and debentures	1,559	1,558	1,568	1,580
Common Stock	1,519	1,519	1,519	1,519
Surplus	12,470	12,470	11,645	11,645
Undivided Profits	21,154	20,636	19,968	18,907
TOTAL CAPITAL ACCOUNT	36,702	36,183	34,700	33,651
TOTAL LIABILITIES AND CAPITAL ACCOUNT	390,802	391,357	384,101	385,712
1. OPERATING INCOME				
a. Interest and fees on loans	16,292	40,203	20,065	44,816
b. Interest on U.S. Treasury securities	1,397	2,596	3,428	949
c. Interest on States and political subdivisions	4	10		142
d. Income from other securities	2,034	4,689		5,193
e. Other service charges, commissions and fees	166	369		98
f. Other operating income	1,406	1,671	814	4,466
TOTAL OPERATING INCOME	21,299	49,538	24,307	55,664

SCHEDULE A

SUMMARY OF REPORTS OF CONDITION OF FIVE INDUSTRIAL LOAN AND INVESTMENT COMPANIES
ISSUING CERTIFICATES OF INVESTMENT OF INDEBTEDNESS AS OF JUNE 30, 1987
(AMOUNTS ROUNDED TO NEAREST THOUSAND)

	6/30/87	12/31/86	6/30/86	12/31/85
2. OPERATING EXPENSES:				
a. Salaries and employee benefits	3,187	6,192	3,037	6,481
b. Interest on unhypothecated certificates over $100,000	654	1,381		1,359
c. Interest on other savings accounts	11,664	26,806	14,562	29,922
d. Advertising	348	1,011		1,037
e. Interest on subordinated notes and debentures	0	138	75	40
f. Interest on demand notes, ect.	60	4	3	9
g. Occupancy expenses	695	1,400	574	810
h. Provision for possible loan losses	921	1,842	693	2,898
i. Other operating expenses	3,047	6,416	3,101	5,249
TOTAL OPERATING EXPENSES	20,576	45,190	22,045	47,805
3. INCOME BEFORE TAXES,ECT.	723	4,348	2,262	7,859
4. APPLICABLE INCOME TAXES	247	2,328	1,125	3,708
5. INCOME BEFORE SECURITIES GAINS OR (LOSSES)	476	2,020	1,137	4,151
6. SECURITIES GAINS OR (LOSSES)	81	809	199	251
7. NET INCOME	557	2,829	1,336	4,402
CHANGES IN EQUITY CAPITAL				
1. Balance end of previous year	36,153	31,392	33,364	31,921
2. Adjustments	8	11	0	(66)
3. Adjusted balance end of previous year	36,145	31,381	33,364	31,855
4. Retirement of capital	0	0		0
5. Net Income - (loss)	557	2,829	1,336	4,402
6. Other increase - (decreases)	0	0		(2,606)
7. Balance end of current period	36,702	34,210	34,700	33,651

INDUSTRIAL LOANS AND INVESTMENT COMPANIES
ISSUING CERTIFICATES OF INVESTMENT

Name	Location
Evansville Morris Plan Co.,Inc.	Evansville (Two city branches)
Indianapolis Morris Plan Corporation	Indianapolis (nine city branches)
Fidelity Investment, Inc.	South Bend (Branch in Mishawaka)
The Morris Plan Company of Terre Haute	Terre Haute
Thrift Incorporated	Evansville, (Currently is not operational, the charter is dormant).

DIVISION OF BUILDING & LOAN ASSOCIATIONS

As of December 31, 1986 there were 27 active building and loan associations operating under Indiana state charter. At the close of each calendar year, these associations submit a statement of condition and a report of earnings to the Department.

The conversion to federal charter by 5 state chartered institutions during the past fiscal year caused the total assets held by state chartered institutions to decrease by some $348,110,087 to a total level of $1,064,218,762. as of December 31, 1986. Mortgage loans in the amount of $771,957,810. were the principle type of asset held by the associations. This amount expressed as a percentage of total assets equals 73%.

Total savings decreased from $1,298,091,142 as of December 31, 1985 to $971,838,631. as of December 31, 1986. This decrease was also due to the conversion of the five state-chartered savings and loan associations to federal charter.

General Reserves totaled $33,596,905., or 3.2% of total assets, and undivided Profits amounted to $24,341,998., or 2.3% of total assets.

The liquidity of Indiana chartered associations as measured by cash on hand, deposits in other banks and U.S. Government obligations has improved from 8.5% as of December 31, 1985 to 9.3% as of December 31, 1986.

The following associations have converted to federal charter:

Booneville Savings Association, Booneville

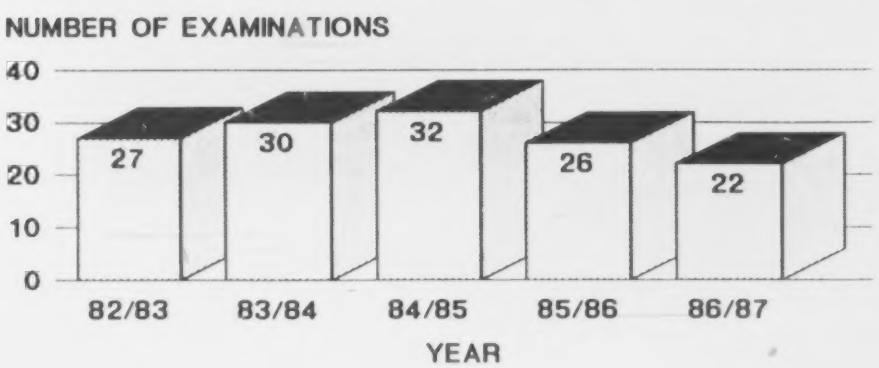
Frankton Building & Loan Association, Frankton

Progressive Building & Loan Association, Lawrenceburg

American Savings & Loan Association, Munster

Ameriana Savings Bank, New Castle

SAVINGS AND LOAN EXAMINATIONS



Comparative Statement of State Chartered Building and Loan Association

Schedule A

	DECEMBER 31, 1985	DECEMBER 31, 1986
ASSETS:		
Mortgage Loans:	1,063,137,255	771,957,810
Share Loans:	9,102,976	6,090,401
Consumer Loans:	41,372,341	31,997,436
Real Estate Sold on Contract:	7,199,350	5,521,030
Real Estate Owned & In Judgement:	8,887,223	7,395,011
Investment*:	125,041,016	110,379,803
Cash on Hand:	76,213,175	66,958,704
Office Building; Furniture & Fixtures	20,304,733	15,660,441
Other Assets:	61,070,780	48,258,126
TOTAL ASSETS:	1,412,328,849	1,064,218,762
LIABILITIES:		
Savings Accounts:	1,298,091,142	971,838,631
Advances From FHLB	15,519,531	15,418,596
Borrowed Money:	3,138,100	670,252
Loans In Process:	4,932,486	6,635,725
Other Liabilities:	13,401,206	9,534,288
Specific Reserve:	2,856,069	2,182,367
General Reserve & Guaranty Stock:	46,659,751	33,596,905
Undivided Profits:	27,730,564	24,341,998
TOTAL LIABILITIES:	1,412,328,849	1,064,218,762
*INVESTMENTS:		
U.S. Government Bonds:	33,721,246	23,404,353
FHLB	11,129,600	8,218,800
Other Securities:	80,190,170	78,756,650

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE
Schedule B

INCOME:	DECEMBER 31, 1985	
Interest on Mortgage Loans:	118,132,530	80,610,383
Interest on Real Estate Contracts:	641,253	508,040
Interest on Investments & Deposits:	16,086,693	12,186,268
All Other Interest:	1,297,593	4,850,973
Premiums, Commissions, & Fees:	3,911,487	4,237,509
Net Income from Real Estate Owned:	(257,321)	(372,186)
Gross Income from Office Building:	332,997	320,690
All Other Operating Income:	4,492,199	3,515,667
GROSS OPERATING INCOME:	114,637,431	105,857,344
OPERATING EXPENSES:		
Compensation:	9,939,089	7,749,095
Office Building Expense:	2,082,178	1,762,286
Advertising	1,093,722	695,085
Data Processing, Office Supplies, Furniture, Fixtures, Postage & Telephone:	3,943,464	2,662,401
Insurance & Bond Premiums:	501,955	398,802
Federal Insurance Premiums:	2,568,109	1,975,897
Supervisory Examinations, & Audits:	594,555	542,011
All Other Operating Expense:	4,436,437	3,883,933
TOTAL OPERATING EXPENSES:	25,159,509	19,629,510
NET OPERATING INCOME, BEFORE INTEREST AND OTHER CHARGES;	119,477,922	86,227,834
Less: Interest Charges:	3,379,016	1,813,771
Net operating Income before FLT:	116,098,906	84,414,063
Add: Non Operating Income:	1,631,235	3,137,546
Net Income after Interest and Before Charges:	117,730,141	87,551,609
Less: Non Operating Charges:	1,785,093	1,122,637
Net Income Before FLT:	115,945,048	86,428,972
Less: FLT	1,941,768	2,672,729
NET INCOME:	114,003,280	83,756,243
ALLOCATION OF NET INCOME:		
Reserves:	(636,810)	246,076
Undivided Profits:	4,457,658	5,529,857
Dividends:	110,182,432	77,980,310
TOTAL NET INCOME ALLOCATED;	114,003,280	83,756,243

SCHEDULE C

LIST OF STATE CHARTERED BUILDING AND LOAN ASSOCIATIONS AS OF JUNE 30, 1986

(TOTAL ASSETS - DECEMBER 31, 1986)

LOCATION	NAME OF ASSOCIATION	
Anderson	First Savings & Loan Association of Central Indiana (I)	203,683,486
Bargersville	Bargersville Building & Loan Association (I)	7,314,274
Boonville	Franklin Loan & Savings Association	144,496
Boonville	Warrick Loan & Savings Association	755,577
Connersville	Union Savings & Loan Association (I)	44,188,110
Fort Wayne	Home Loan & Savings Association (I)	163,040,482
Frankfort	Citizens Savings & Loan Association (I)	36,539,116
Franklin	Mutual Building & Loan Association (I)	31,533,785
Gary	United Savings & Loan Association of Gary	20,414
Goodland	Newton Co Loan & Savings Association of Indiana (I)	6,640,815
Greensburg	Greensburg Savings & Loan Association (I)	15,232,113
Hartford City	City Savings Bank (I)	29,287,375
Indianapolis	Security Savings Association (I)	116,455,039
Jasper	Liberty Building & Loan Association	1,029,221
Kentland	Kentland Building & Loan Association (I)	3,986,669
LaPorte	Anchor Savings & Loan Association (I)	8,938,320
Lawrenceburg	Dearborn Savings Association (I)	33,453,914
Logansport	Logansport Savings & Loan Association (I)	36,985,133
Martinsville	Home Building Association (I)	66,106,288
Michigan City	Michigan City Savings & Loan Association (I)	34,190,337
Monticello	Peoples Savings & Loan Association (I)	45,377,237
Princeton	Perpetual Savings & Loan Association (I)	32,344,477
Scottsburg	Scottsburg Building & Loan Association (I)	46,580,499
Tell City	Peoples Building & Loan Association (I)	21,260,053
Washington	Home Building Savings & Loan Association of Washington (I)	44,059,382
Whiting	Liberty Savings Association of Whiting (I)	34,892,516
Wingate	The Home Building & Loan Association	179,634
	Total Assets, All State Chartered Associations:	$1,064,218,762

(I) - Indicates insured by Federal Savings & Loan Insurance Corporation

DIVISION OF CREDIT UNIONS

A credit union is a cooperative, non-profit association incorporated under the laws of the state for the purpose of educating its members in the concept of thrift and encouraging thrift among its members.

A credit union creates a source of credit at a fair and reasonable rate of interest and provides opportunities for the members to use and control their own money in order to improve their economic and social condition. Credit unions are composed of groups of people with some type of common bond; that is, some similiar interest that serves to define the group.

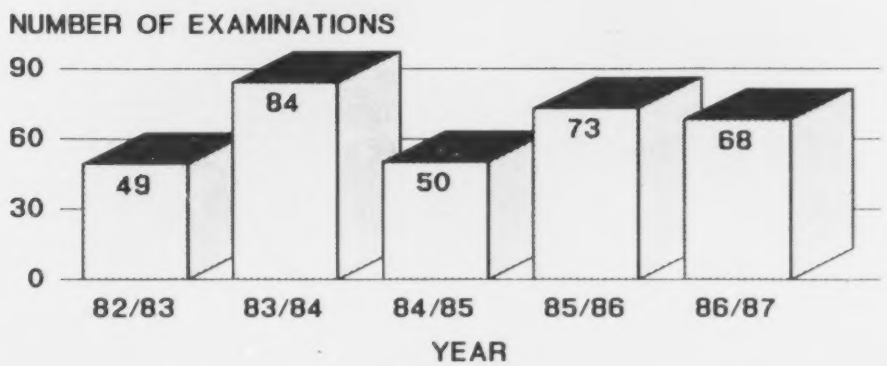
One very basic difference between credit unions and other financial institutions is that credit unions are predominantly service-oriented. While the historical philosophy of providing the members with the best services at the least cost is still the predominant philosophy, credit unions have increasingly recognized that in order to insure that these services may continue to be offered, a certain degree of profitability must be maintained.

As of December 31, 1986, there were 82 active state chartered credit unions. The combined, total assets of these 82 credit unions as of December 31, 1986 was $915.2 million, an increase of $162.6 million over December 31, 1985. This translates to a 21.6% increase in the total assets of all state chartered credit unions in Indiana. Member deposits in Indiana credit unions increased from $688.5 million as of December 31, 1985 to over $842.4 million as of December 31, 1986. This represents a growth in deposits of 22.4% While loan growth failed to keep pace with deposits, the total of loans outstanding still increased by 12.3% over the previous calendar year.

In May 1987, the Credit Union Division began using a new examination format. This new examination process was developed through the joint efforts of the National Credit Union Administration and the National Association of State Credit Union Supervisors. This new examination process, when fully implemented, will provide a more detailed analysis of each area involved in the safe and sound management of credit unions.

The Credit Union Division has also begun this year the use of a CAMEL rating system for Indiana credit unions. This system should provide a consistent basis for assessing the condition of individual credit unions.

CREDIT UNION EXAMINATIONS



CREDIT UNION ANNUAL REPORT 1986 - 1987

Schedule A

	DECEMBER 31, 1985	DECEMBER 31, 1986
ASSETS:		
Cash on Hand and Due From Banks:	15,778,038	18,803,000
Total Loans:	415,323,976	466,529,000
U.S. Government Securities:	83,867,835	116,593,000
Building & Loan Assoc. Deposits:	33,138,740	42,724,000
Certificates of Deposit:	147,535,734	229,013,000
Other Investments:	35,480,167	16,633,000
Other Assets:	21,529,336	24,963,000
TOTAL ASSETS:	752,653,826	915,248,000
LIABILITIES:		
Shares:	688,464,278	842,440,000
Total Borrowed Money:	5,858,676	4,942,000
Dividends Declared, but Not Paid:	1,144,628	
Accounts Payable:	743,501	3,695,000
Other Liabilities:	216,841	9,000
Reserves (Other than Loan Reserves):	2,710,020	
TOTAL LIABILITIES:	699,137,944	851,086,000
EQUITY:		
Regular Reserves for Loans:	24,700,203	26,272,000
Special Reserve for Delinquent Loans:		2,608,000
Undivided Profits:	28,815,679	35,282,000
TOTAL EQUITY:	53,515,882	64,162,000
TOTAL LIABILITIES AND EQUITY:	752,653,826	915,248,000

STATEMENT OF CONDITION: STATISTICAL HIGHLIGHTS

	Dec. 31, 1985	Dec. 31, 1986	Increase Decrease	Percent
ASSETS:	752,653,826	915,248,000	162,594,174	+ 21.6%
SHARES:	688,464,278	842,440,000	153,975,722	+ 22.4%
LOANS:	415,323,976	466,529,000	51,205,024	+ 12.3%
INVESTMENTS:	300,022,476	404,964,000	104,941,524	+ 35.0%

CREDIT UNION ANNUAL REPORT 1986 - 1987

Schedule B

DECEMBER 31, 1986

INCOME:	
Interest on Loans:	54,002,000
Income from Investments:	27,065,000
Other Income (Excluding Reserve Income):	3,007,000
TOTAL INCOME:	84,074,000
EXPENSES:	
Employee Compensation & Benefits:	10,368,000
Travel & Conference:	280,000
Association Dues:	228,000
Office Occupancy:	1,376,000
Office Operations:	4,734,000
Education & Promotion:	794,000
Professional & Outside Services:	2,170,000
Provisions for Loan Losses:	974,000
Members Insurance:	628,000
Operating Fees:	343,000
Interest on Borrowed Money:	39,000
Annual Meeting Expense:	119,000
Other Expenses:	1,428,000
TOTAL EXPENSES:	23,481,000
NET INCOME:	60,593,000

DISTRIBUTION OF NET INCOME

Transferred to Regular Reserve:	1,621,000
Transferred to Undivided Profits:	58,972,000
TOTAL DISTRIBUTIONS:	60,593,000
DIVIDENDS PAID TO SHAREHOLDERS:	52,502,000

SCHEDULE C

LIST OF STATE CHARTERED CREDIT UNIONS AS OF JUNE 30, 1986

LOCATION	NAME OF ASSOCIATION	ASSETS
Anderson	Anderson Post Office Credit Union (*I)	1,550,000
Auburn	DeKalb Co. Farm Bureau Co-op Credit Union (I)	17,174,000
Bluffton	Franklin Electric Employees Credit Union (*I)	702,000
Brazil	Clay Co. Farm Bureau Co-op Credit Union (*I)	873,000
Chrisney	Spencer Co. Farm Bureau Co-op Credit Union (I)	1,332,000
Columbus	Arvin Employees Credit Union (I)	10,677,000
Columbus	Golden Foundry Employees Credit Union (I)	549,000
Corydon	Harrison Co. Farm Bureau Co-op Credit Union (I)	195,000
Dillsboro	Dearborn Co. Farm Bureau Co-op Credit Union (I)	580,000
Dunkirk	Indiana GLass Employees Credit Union (I)	556,000
East Chicago	East Chicago Firemen's Credit Union	977,000
East Chicago	East Chicago Teachers Credit Union (I)	4,306,000
Fort Wayne	Allen Co. Postal Employees Credit Union (I)	5,995,000
Fort Wayne	Public Service Credit Union (I)	11,008,000
Fort Wayne	Tokheim Employees Credit Union (I)	3,672,000
Frankfort	Clinton Co. Farm Bureau Co-op Credit Union (#I)	4,673,000
Frankfort	Nickel Plate Industrial Credit Union (I)	1,902,000
Franklin	Arvin G & F Credit Union (I)	2,321,000
Gary	Federal Employees Credit Union (*I)	4,530,000
Gary	Gary Railway Employees Credit Union (#I)	88,000
Goshen	Elkhart Co. Farm Bureau Co-op Credit Union (*I)	67,733,000
Goshen	Penn Credit Union (I)	12,700,000
Hagerstown	Perfect Circle Credit Union (*I)	16,969,000
Hammond	Hammond Firefighters Association Credit Union (#I)	931,000
Huntington	Huntington Co. Farm Bureau Co-op Credit Union (*I)	3,869,000
Indianapolis	Blocks Employees Credit Union (#I)	365,000
Indianapolis	Citizens Gas Utility Credit Union (I)	7,802,000
Indianapolis	Diamond Chain Credit Union (*I)	896,000
Indianapolis	Double Eleven Credit Union (I)	11,305,000
Indianapolis	Dow Employees Credit Union (I)	6,642,000
Indianapolis	Employees Credit Union At L.S. Ayres (I)	3,004,000
Indianapolis	Farm Bureau Employees Credit Union	3,461,000
Indianapolis	Grain Dealers Mutual Credit Union	453,000
Indianapolis	Highway Credit Union (I)	2,117,000
Indianapolis	Indiana Public Employees Credit Union (I)	11,583,000
Indianapolis	Indianapolis Hebrew Credit Union (I)	648,000
Indianapolis	Indianapolis Police Department Credit Union (*I)	10,243,000
Indianapolis	Indianapolis Post Office Credit Union (*I)	31,761,000
Indianapolis	Indianapolis Power & Light Credit Union (*I)	6,873,000
Indianapolis	Indianapolis Railroad Employees Credit Union (*I)	1,337,000
Indianapolis	IPTC Employees Credit Union	2,675,000
Indianapolis	Jet Credit Union (*I)	21,215,000
Indianapolis	KEMBA Employees Credit Union (*I)	21,016,000
Indianapolis	Lane Bryant Employees Credit Union (I)	4,751,000
Indianapolis	Louis C. Buehler Credit Union (I)	487,000

SCHEDULE C

LIST OF STATE CHARTERED CREDIT UNIONS AS OF JUNE 30, 1986

LOCATION	NAME OF ASSOCIATION	ASSETS
Indianapolis	Marion Co. Farm Bureau Co-op Credit Union	1,057,000
Indianapolis	Mutual Insurance Credit Union (I)	244,000
Indianapolis	Naval Avionics Employees Credit Union (I)	25,932,000
Indianapolis	Rand McNally Credit Union (I)	175,000
Indianapolis	RCA Indianapolis Employees Credit Union (I)	35,041,000
Indianapolis	Richardson Employees Credit Union (I)	857,000
Indianapolis	Roberts Employees Credit Union (I)	475,000
Indianapolis	Standard Oil Employees Credit Union (*I)	721,000
Indianapolis	State Merit Service Credit Union (#I)	1,854,000
Jeffersonville	Clark Co. Farm Bureau Co-op Credit Union (I)	548,000
Kokomo	Kokomo Post Office Credit Union (I)	503,000
LaPorte	Municipal Employees Credit Union (I)	801,000
Lawrenceburg	Seagram Employees Credit Union (I)	5,001,000
Logansport	Cass Co. Farm Bureau Co-op Credit Union (I)	2,150,000
Logansport	G.T.C. (Logansport) Credit Union (#I)	148,000
Loogootee	Martin Co. Farm Bureau Co-op Credit Union (#I)	2,356,000
Marion	Grant Co. Farm Bureau Co-op Credit Union (*I)	866,000
Monroe	Adams Co. Farm Bureau Co-op Credit Union (I)	4,784,000
Muncie	Ball Employees Credit Union (I)	5,982,000
Muncie	Muncie Post Office Credit Union (*I)	497,000
New Albany	New Albany Schools Credit Union (I)	1,884,000
New Castle	New Castle State Development Center Credit Union (I)	485,000
New Haven	Allen Co. Co-op Credit Union (I)	1,037,000
Pendleton	Indiana Reformatory Credit Union (#I)	554,000
Plainfield	Muslim Credit Union of Central Indiana (I)	70,000
Richmond	HATCO Employees Credit Union (I)	14,135,000
Richmond	Richmond State Hospital Credit Union (I)	1,154,000
Richmond	Wayne Employees Credit Union (I)	1,463,000
Rochester	Fulton Co. Farm Bureau Co-op Credit Union (I)	56,000
Seymour	Jackson Co. Farm Bureau Credit Union (I)	3,774,000
South Bend	South Bend Post Office Credit Union (I)	5,979,000
South Bend	Teachers Credit Union (I)	380,893,000
Sullivan	Sullivan Co. Farm Bureau Co-op Credit Union (*I)	1,391,000
Terre Haute	Terre Haute Post Office Credit Union (I)	874,000
Valparaiso	Porter Co. Farm Bureau Co-op Credit Union (I)	5,495,000
Vevay	U.S. Shoe (Vevay) Credit Union (#I)	74,000
Wabash	Wabash Co. Farm Bureau Co-op Credit Union (*I)	81,442,000
TOTAL ASSETS:		915,248,000

(I) - Indicates Insured by The National Credit Union Administration
(*I) - Indicates Insured by The National Deposit Guaranty Corporation
(#I) - Indicates Insured by Mutual Guaranty Corporation

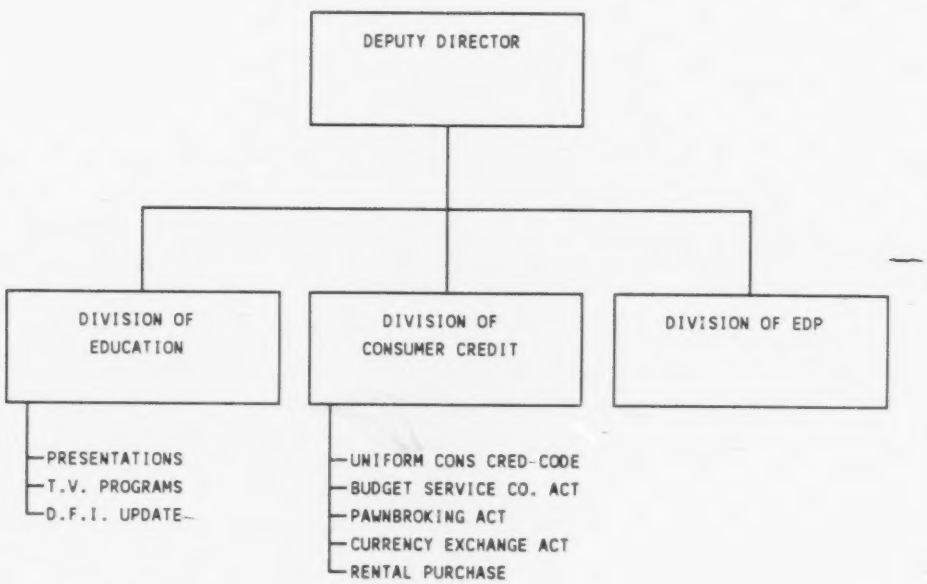
NON-DEPOSITORY INSTITUTIONS DIVISION

The Non-Depository Institutions Division of the Department is charged by statute with the administration and regulatory supervision of the Indiana Uniform Consumer Credit Code, Budget Service Companies Act, Pawnbroking Act, Currency Exchange Act and, effective September 1, 1987, the Rental Purchase Agreement Act through the Division's Consumer Credit Unit. The division has also been assigned the responsibility of supervising the Division of Electronic Data Processing and directing and coordinating the Division of Education.

General

Besides the citation of violations and the monitoring of corrective measures for these violations, the twenty-three examiners in the field, working under the guidance of five Work Leaders and four Field Supervisors, provide the Non-Depository Institutions Division with the pertinent information and facts which it needs to function effectively.

Division personnel continuously review the methods, policies and philosophy of the Division in order to seek out new methods of operation which might improve the overall supervisory functions of the Division and enable us to serve even better the credit consumer in Indiana.



DIVISION OF CONSUMER CREDIT

Uniform Consumer Credit Code

The Division has regulatory jurisdiction over more than 14,000 licensed lenders and registrants who engage in consumer credit transactions in the course of their business. This jurisdiction has been legislatively granted through the Indiana Uniform Consumer Credit Code. Having enacted consumer credit legislation in 1933, Indiana was the first state in the nation to provide for the regular examination of certain holders of consumer credit. Presently, Indiana is the only state authorized to regularly examine all consumer credit from its inception.

Examinations are necessary for the discovery of violations of Indiana Code and Department regulations and to monitor the corrective measures which should have been implemented to address prior violations. These examinations also play an important role in alerting creditors to the requirements and changes of the law which might impact upon their business procedures. Such a proactive approach limits the number of overcharges to customers. During fiscal year 1986-87 the Division made 3,013 examinations of businesses engaged in consumer credit transactions subject to the Indiana Uniform Consumer Credit Code.

The Division also investigates all consumer credit and related complaints filed directly by consumers and referred to the Division by other agencies. Last year the Division reviewed in excess of 3,000 complaints. As a result of regular examinations and complaint investigations, consumer creditors were cited 17,750 times resulting in consumer refunds of $505,920.76 during the last fiscal year.

Budget Service Companies Act

Budget service companies are licensed to provide services and assistance to individuals who seek counsel on the management of their money and debts. These companies may also make arrangements with creditors of a debtor to handle the disbursement of money of the debtor so that all creditors may be paid in the most expeditious manner. Many who use the services of a budget service company are those who have over obligated themselves with debt. For these services these companies are allowed to contract with the debtor to receive a fee regulated by the Budget Service Companies Act.

Any individual who applies for a budget service company license, as well as any counselor or manager who is employed by a licensee, is required to take an examination prescribed and administered by the Division to test pertinent knowledge and skills. Individuals must pass the examination to obtain a license or be employed by a licensee.

There are two licensed budget service companies in Indiana, one having three branches. Each is subject to an annual examination by Division examiners to ascertain compliance with the Indiana Budget Service Companies Act. Each of the four offices was examined during the 1986-87 fiscal year.

Pawnbroking Act

Pawnbrokers were among the first types of lending agencies. Pawnbrokers make loans to individuals, usually in small amounts, based on a pledge of personal property.

Before a pawnbrokers license is granted, based upon investigation by the Division, it must be shown that such applicant possesses responsible character and adheres to financially responsible business practices. It must also be shown that the business will be operated honestly, fairly, efficiently and within the purpose of the Act. Such applicant must demonstrate that there exists a public necessity for the operation of such a business in the community in which the applicant proposes to operate before a license will be granted.

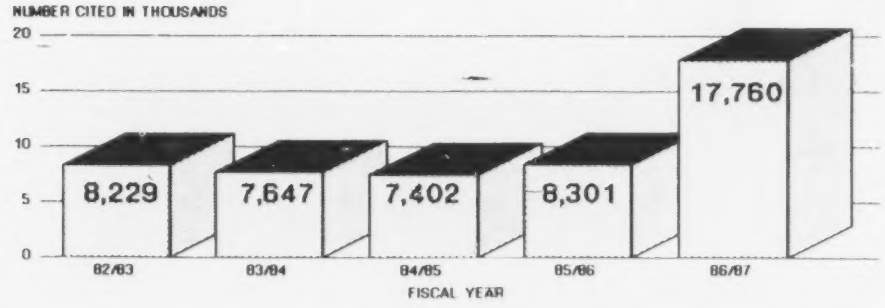
All licensed pawnbrokers are examined to ascertain their compliance with the Indiana Pawnbroking Act. Pawnbroking examinations are very tedious and time-consuming due to the large number of loans made during a year. There were 95,659 pawn loans made during 1986. Of these, 45,784 were for $25.00 or less, with the average loan in that group being $16.49. There were 49,875 loans made in excess of $25.00, with an

average loan of $66.52. The total pawn loans made during the year by the twenty-eight licensed pawnbrokers amounted to $4,072,912.50.

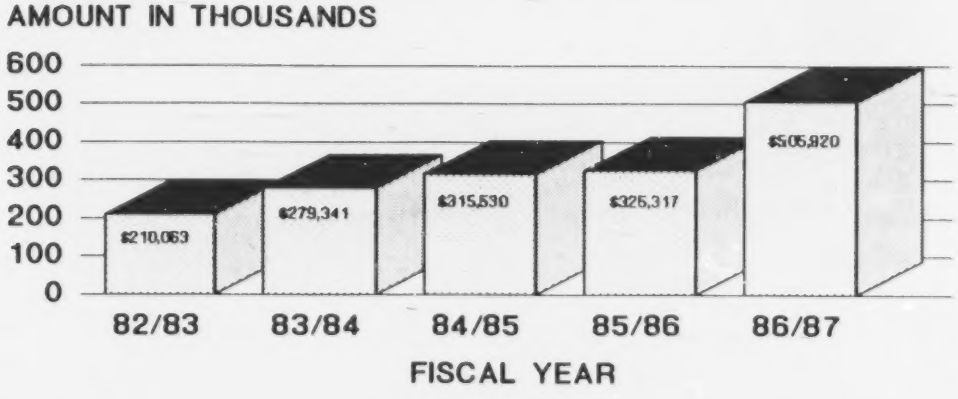
Currency Exchange Act

Currency exchanges are institutions authorized to sell checks or other instruments of payment to the public. At the close of the fiscal year ending June 30, 1987, there were fourteen currency exchange licensees with a total of 2,659 agents operating under the provisions of the Currency Exchange Act. Though the Division is not mandated by statute to examine currency exchange licensees, it does have authority to do so when it deems appropriate. Examinations are rarely necessary due to the nature of the business and the high standard of statutory requirements needed to obtain a license. Currency exchange licensees are not required to submit annual reports of their operations.

COMPLIANCE EXAM VIOLATIONS

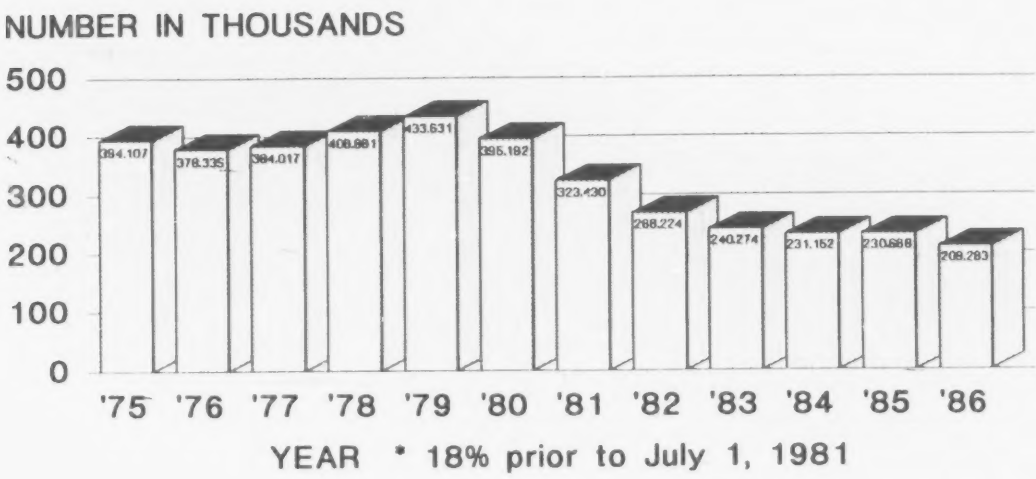


AMOUNT OF COMPLIANCE REFUNDS



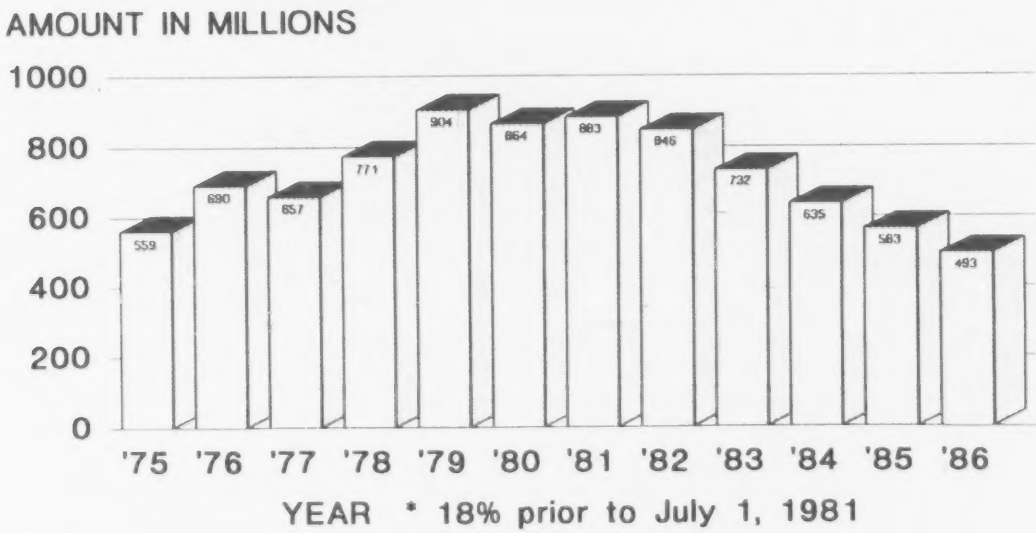
NUMBER OF SUPERVISED LOANS OUTSTANDING

CONSUMER LOANS WITH RATE IN EXCESS OF 21%



AMOUNT OF SUPERVISED LOANS OUTSTANDING

CONSUMER LOANS IN EXCESS OF 21%



CONSUMER LOAN LICENSEES

SCHEDULE A

Supervised Loans (Loans in excess of 21% Annual Percentage Rate)
Made by Licensed Lenders

	NUMBER	DOLLAR AMOUNTS
Indiana Supervised Loans	209,283	$492,510,965
Earned Charges from Supervised Loans		$86,912,096

SCHEDULE B

Classification by Security of Loans Made From
January 1, 1986 to December 31, 1986

	NUMBER	DOLLAR AMOUNTS
Junior Mortgages on Real Estate	2,798	$24,044,736
Tangible Personal Property	90,859	182,564,678
Other	92,050	131,667,187
TOTAL	185,707	$338,276,601

SCHEDULE C

Analysis of Loans Made From
January 1, 1986 to December 31, 1986

	NUMBER	DOLLAR AMOUNTS
Net of any Unearned Loan Charges		
$ 300.00 or less	12,531	$3,075,978
$ 300.01 to $ 1,000	54,011	35,140,855
$1,000.01 to $25,000	119,165	300,059,768
TOTAL	185,707	$338,276,601

The Average loan made during the Period from January 1, 1986 to December 31, 1986 was $1,821.56.

BUDGET SERVICE COMPANY LICENSEES

Moneymaster, Inc.
Chesterfield, IN
Indianapolis, IN
Kokomo, IN
Lafayette, IN

Lamp Enterprises
Highland, IN

PAWNBROKER LICENSEES

Anderson, Indiana
Alan Rubenstein
d/b/a Allan's Jewelry and Loan, Inc.

Bloomington, Indiana
A-1 Enterprises, Inc.
d/b/a A-1 PAWN SHOP

Sormac Corporation
d/b/a Ace Pawn Shop of Bloomington

Chesterton, Indiana
Jack Batz
d/b/a Jack's Gun Shop

Connersville, Indiana
William Marshall, Jr.
d/b/a Bill's Pawn Shop

East Chicago, Indiana
Calumet Jewelers
d/b/a Albert's Jewelers

Elkhart, Indiana
C & L Loan & Pawn Shop

Evansville, Indiana
Goldman's Stores, Inc.

Fort Wayne, Indiana
B & B Loan, Inc.

Gary, Indiana
Gary Loan And Mercantile Co., Inc.
Jack's Loan Office, Inc.

Hammond, Indiana
Harold's Inc.

Hope, Indiana
The Gold Nugget Pawn Shop

Indianapolis, Indiana
Dock Brothers Loan Co., Inc.
Joseph's Jewelry & Loan Co., Inc.
Rapp's Jewelry and Loan Company
Stanley E. Cohen,
d/b/a Stan's Loan
Westside Loan Company
William N. Long
d/b/a Bill's Pawn Brokerage

Jeffersonville, Indiana
Sidney Rubin
d/b/a Gold's Pawn Shop & Jewelry

Knox, Indiana
A.C.E. Pawn Shop

Lafayette, Indiana
The Pawn Shop, Inc.

Michigan City, Indiana
Meridale Jewelers

Osgood, Indiana
S & R Pawn Shop

Salem, Indiana
Don H. Martin
d/b/a Log Cabin Gun Shop

South Bend, Indiana
Red's Inc.

Valparaiso, Indiana
Encom, Inc.
d/b/a Valpo Pawn & Loan

PART I

SCHEDULE A

Consolidated Balance Sheet as Submitted by the Twenty-eight Pawnbroking Licensees
As of December 31, 1986 and December 31, 1985

	Dec. 31,1986	Dec. 31, 1985	Increase Decrease
ASSETS:			
Cash on hand and due from banks. .	$554,337.59	$545,344.86	$8,992.73
Pledge loans outstanding	1,699,257.98	1,660,493.73	38,764.25
Other loan receivables	81,553.32	74,161.73	7,391.59
Merchandise inventory.	1,646,715.29	1,199,368.27	447,347.02
Furniture and fixtures	103,606.38	115,841.07	(12,234.69)
Unclassified assets.	892,350.64	341,866.94	550,483.70
TOTAL ASSETS.	$4,977,821.20	$3,937,076.60	$1,040,744.60
LIABILITIES:			
Notes payable.	$764,522.61	$671,506.35	$93,016.26
Accounts payable	303,590.33	118,704.46	184,885.87
Unclassified liabilities	500,460.15	515,607.47	(15,147.32)
TOTAL LIABILITIES	$1,568,573.09	$1,305,818.28	$262,754.81
CAPITAL AND/OR NET WORTH:			
Net worth-individuals/partnership.	$592,435.62	$664,463.81	($72,028.19)
Common stock	439,259.61	376,437.61	62,822.00
Surplus and undivided profits. . .	2,377,552.88	1,590,356.90	787,195.98
TOTAL CAPITAL ACCOUNT	$3,409,248.11	$2,631,258.32	$777,989.79
TOTAL LIABILITIES AND CAPITAL	$4,977,821.20	$3,937,076.60	$1,040,744.60

SCHEDULE B

Consolidated Statement of Earnings, Expenses and Changes in Net Worth for the Year 1986

GROSS EARNINGS AND INCOME:		
Interest collected on pledge loans	$331,036.91	
Interest collected other loans . .	122,120.97	
Storage fees collected	331,167.05	
Income from merchandising business	3,075,577.34	
Unclassified income.	132,685.50	
TOTAL GROSS EARNINGS AND INCOME		$3,992,587.77
TOTAL EXPENSES IN CONDUCTING ALL BUSINESS		3,470,414.80
NET INCOME AND EARNINGS		$522,172.97
ADDITIONS TO NET WORTH:		
New funds invested	$83,362.23	
Other credits to surplus	544,827.00	
TOTAL NET ADDITIONS		$628,189.23
SUB-TOTAL		$1,150,362.20
DEDUCTIONS IN NET WORTH:		
Withdrawals from profit or capital	$232,071.37	
Dividends.	74,781.00	
Unclassified Deductions.	65,520.04	
TOTAL DEDUCTIONS		$372,372.41
INCREASE IN NET WORTH		$777,989.79
CAPITAL ACCOUNT AS OF DECEMBER 31, 1985		2,631,258.32
CAPITAL ACCOUNT AS OF DECEMBER 31, 1986		$3,409,248.11

SCHEDULE C

ANALYSIS OF PAWN LOANS MADE DURING THE YEAR OF 1986
BY NUMBER AND DOLLAR VALUE AND PERCENT OF EACH GROUP AS TO TOTAL

ITEM	NUMBER	PERCENT	DOLLAR VALUE	PERCENT
PAWN LOANS MADE OR RENEWED:				
$ .01 to $ 10.00	12,875	13.46%	$113,177.10	2.78%
$ 10.01 to $ 25.00	32,909	34.40%	$641,811.00	15.76%
$ 25.01 to $ 50.00	32,290	33.76%	$1,202,501.92	29.52%
$ 50.01 to $ 100.00	12,528	13.10%	$970,874.03	23.84%
$ 100.01 to $ 300.00	4,387	4.59%	$784,261.45	19.26%
$ 300.01 to $1,000.00	622	0.65%	$289,314.00	7.10%
$1,000.01 or more	48	0.05%	$70,973.00	1.74%
TOTALS	95,659	100.00%	$4,072,912.50	100.00%

The average size of Pawn Loans made in 1986 was $42.58 as compared to $46.10 in 1985.

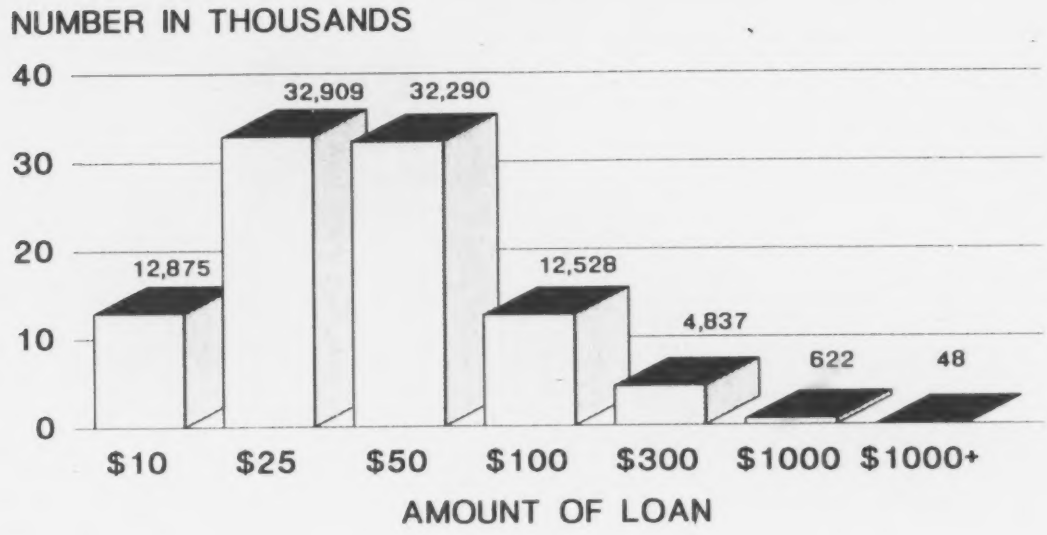
PART II
RECONCILIATION AS TO NUMBER AND DOLLAR VALUE
OF PAWN LOANS MADE IN 1986

ITEM	NUMBER	DOLLAR VALUE	NUMBER	DOLLAR VALUE
Pawn Loan Receivables, December 31, 1985	35,411	$1,660,493.73		
Pawn Loans Made or Renewed in 1986	95,659	$4,072,912.50		
SUB-TOTAL			131,070	$5,733,406.23
LESS:				
Pawn Loans Paid or Renewed	79,577	$3,447,639.02		
Pledges Unredeemed and Sold	14,983	$586,509.23		
SUB-TOTAL			94,560	$4,034,148.25
Pawn Loan Receivables, December 31, 1986			36,510	$1,699,257.98

The average size of Pawn Loan Receivables as of December 31, 1986 was $46.54 as compared to $46.91 on December 31, 1985.

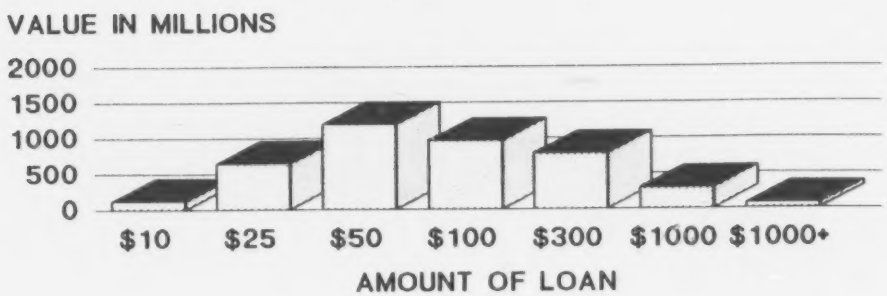
NUMBER OF PAWN LOANS MADE OR RENEWED

1986



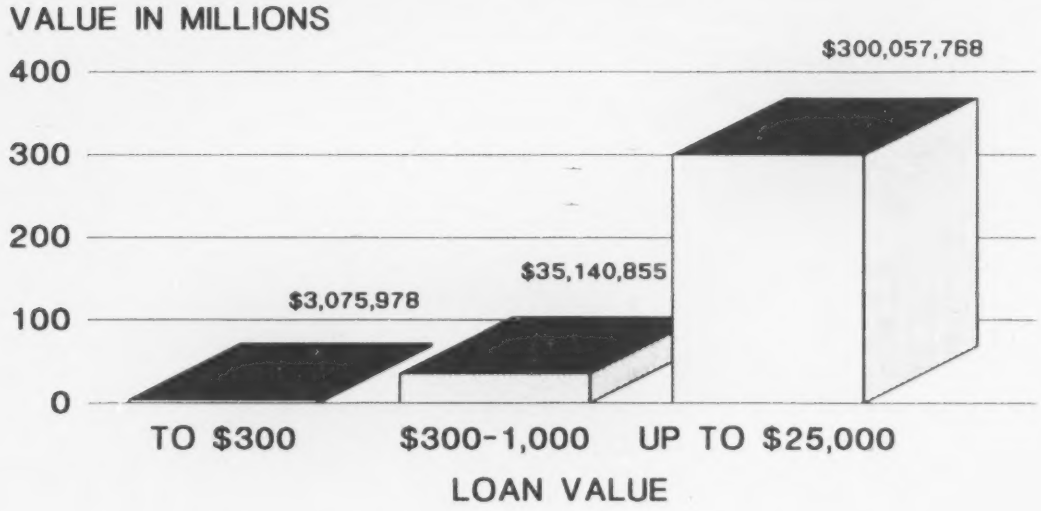
VALUE OF PAWN LOANS MADE OR RENEWED

1986



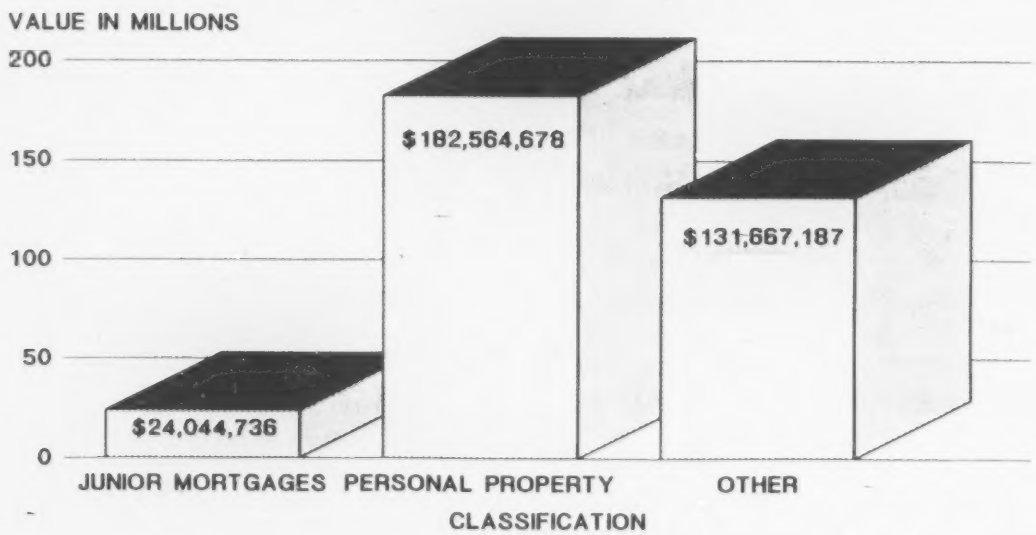
CLASSIFICATION BY LOAN AMOUNT

LOANS MADE FROM 1-01-86 TO 12-31-86



CLASSIFICATIONS BY SECURITY

LOANS MADE FROM 1-01-86 TO 12-31-86



CURRENCY EXCHANGE LICENSEES

Brighton, England
Travelers Cheque Associates Ltd.

Cincinnati, Ohio
First National Cincinnati Corp.

Dallas, Texas
Republic Money Orders, Inc.

Gary, Indiana
Gary Currency Exchange, Inc.

Hammond, Indiana
165th & Calumet Currency Exchange, Inc.

Indianapolis, Indiana
Indiana Check Cashier #1, Inc.
Allied Financial Services, Inc.

Louisville, Kentucky
427 Money Order Company

London, England
Barclays Bank PLC

Marion, Indiana
Hank's Supermarket of Marion, Inc.

Minneapolis, Minnesota
Travelers Express Company, Inc.

New York, New York
American Express Travel
Citicorp Services, Inc.

San Francisco, California
B A Cheque Corporation

Debra Berggren assists a state fair goer with financial facts at the DFI booth at the state fair.

DIVISION OF EDUCATION

During the fiscal year 1986 - 1987 the Division of Education experienced a great deal of growth as it has broadened its efforts to reach as many of Indiana's consumers as possible with the Department's educational programs. These programs include the production of a weekly television program, "It's Your Money," and consumer education presentations given to high school classes, adult education classes, civic groups, penal institutions and service groups by Division personnel.

Television Programs

During the past four years the Division has completed the production of 86 different television programs which are currently broadcast weekly on 11 Indiana television stations. The program is aimed at educating the citizens of the State of Indiana about financial law changes, financial planning, new tax laws, student loan changes, and a great variety of other consumer money matters. Prior guests on the program have included department heads of state agencies, representatives of the federal government, representatives from business and industry as well as personnel from the Department of Financial Institutions. During the first year of production there were only 2 shows produced, but during this past year 34 shows were produced. Currently, it is estimated that "It's Your Money" reaches 250,000 viewers weekly.

Presentations

In the past year the Division of Education has given 1364 presentations to a total of more than 34,000 high school students, adult education class students and service club and church members. Both of these numbers greatly exceed the success the Division has had in the past in educating the citizens of the State. These presentations provide consumer credit information to the audience particiapants about the risks of credit and the importance of being informed about credit issues. The message of the presentation is not that credit should be avoided, but that it should be understood. The presentations are given in a manner which demonstrates the material's relevance to the participants and challenges them to consider their own situation. Currently, the Division employs three full-time examiners who each give these presentations an average of 9 times per week. The Division attributes a part of its program's success to the increasing realization of educators and civic leaders of the importance of addressing the issues that such a program does. This past year the Division has received more than 300 complimentary letters regarding the quality and beneficiality of the program.

"I would like to let your Department know that the speaker you sent to our high school was excellent. She got through to the students in a way that no one else has ever gotten through."

Business teacher,
Whiteland Community High School

"Thank you for taking the time to share your experiences and expertise in credit financing. As I'm sure you can tell by our answers and questions, it's a subject we all know little about...Upon release from here, many of us will be leading a different kind of life than prior to prison and in order to be independent, we need lots of knowledge to have a better quality of life and (to) insure that we don't return."

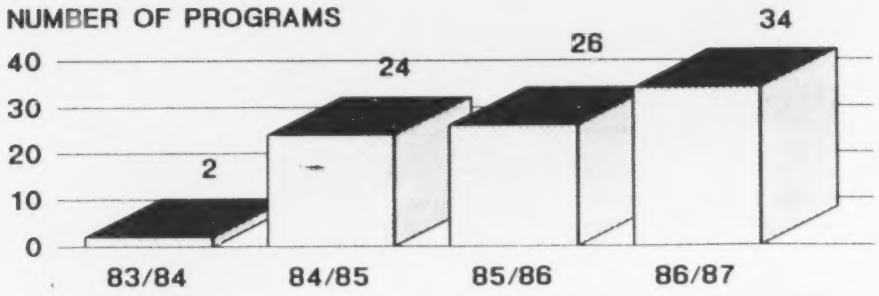
Student,
Indiana Wowen's Prison

"It was interesting, enlightening and immensely beneficial for the audience...I will highly recommend the program to other agencies interested in better serving the public."

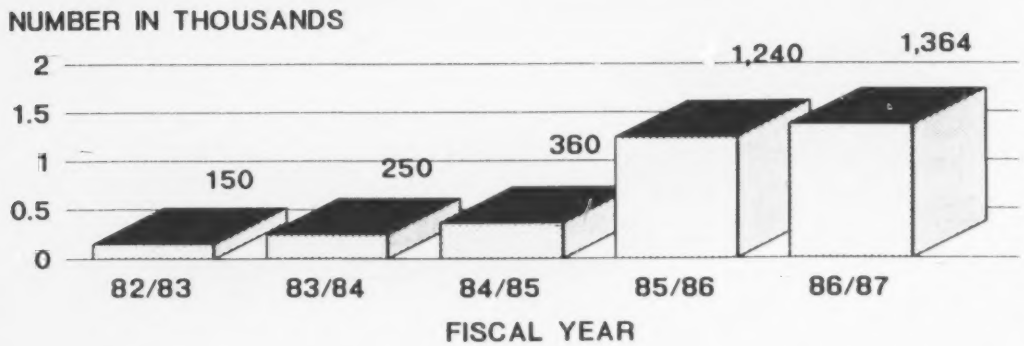
Caseworker,
Indianapolis Speech and Hearing Center

"IT'S YOUR MONEY"

NUMBER OF T.V. PROGRAMS PRODUCED

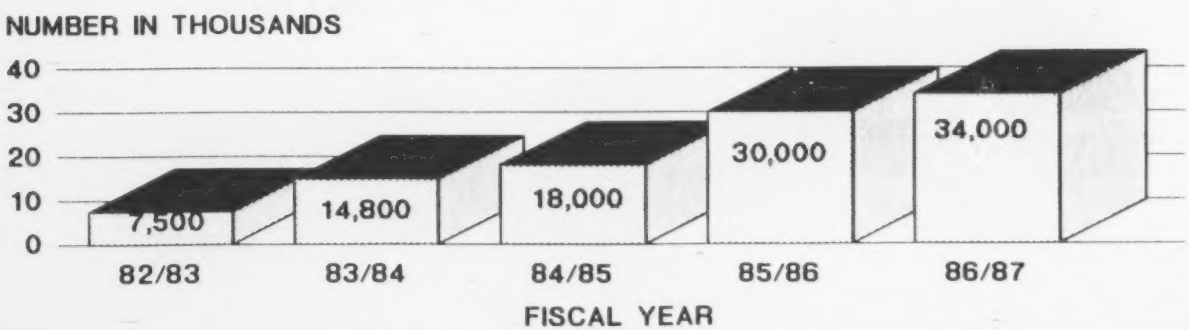


EDUCATIONAL PRESENTATIONS



NUMBER OF STUDENTS AND CONSUMERS REACHED

THROUGH EDUCATIONAL PRESENTATIONS



DIVISION OF ELECTRONIC DATA PROCESSING

During the fiscal year 1986 - 1987 the Division's 3 EDP examiners completed 129 examinations of Indiana data centers. Currently there are 286 data centers processing work for state chartered banks, credit unions, and building and loan associations. Forty-eight (48) of these data centers are located outside of Indiana.

The EDP examiners give ratings to each data center examined based upon 4 of the critical functions of a data center's operations: (1) auditing, (2) management, (3) systems and programming, and (4) computer operations . Each data facility is assigned a composite rating based on the separate ratings assigned to the 4 functions listed above. Each performance rating and the composite rating are assigned a value on a scale of 1 to 5, with 1 representing the highest performance rating and 5 the poorest performance rating.

A general description of each performance rating is as follows:

Rating 1 Strong performance
2 Satisfactory performance
3 Fair performance
4 Unsatisfactory performance
5 Hazardous performance

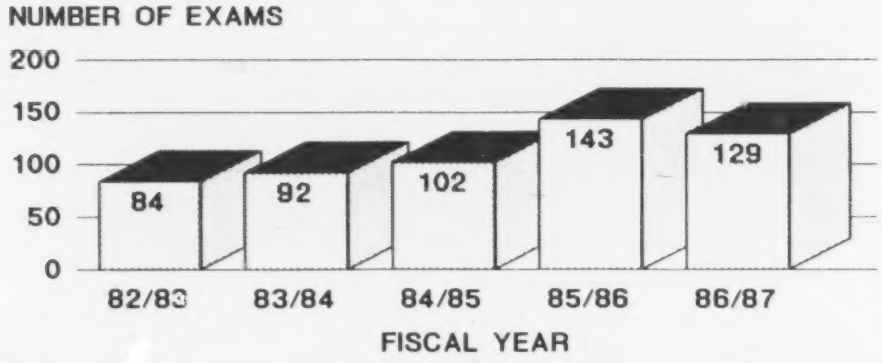
The aggregate ratings for 1986-87 are as follows:

Rating	1	2	3	4	5
Number given in 1986-87	6	7	46	4	0

In 1978 when the EDP Unit was established, most of the data centers regulated by the Division were rated 3 or 4. The current statistics for 1986 - 1987 show that data processing personnel are making improvements in the manner in which they operate. One hundred and twenty-five (125) of the 129 data centers examined were rated as average or better (3, 2, or 1).

The best interests of the public can be served by data center management that continually strives to improve its operations. Our EDP examiners attempt to guide management regarding generally accepted industry standards to help promote improvement.

ELECTRONIC DATA PROCESSING EXAMS



DIVISION OF ADMINISTRATION AND TRAINING

The Department of Financial Institutions believes that learning is an ongoing process, not just for new examiners, but for the experienced examiners as well. Through the use of the Education Foundation of State Bank Supervisors, the National Association of State Credit Union Supervisors and the National Association of State Savings and Loan Supervisors we have offered technical training to our examiners. In addition, the National Credit Union Administration, the Federal Deposit Insurance Corporation and the Federal Reserve have provided learning experiences through conferences, seminars and formal training programs.

This past year we were able to call upon the highly regarded firm of Kelly and Associates to help our supervisory people in sharpening their supervisory and management skills. A pre-supervision course was also offered to staff that display potential for management or supervisory positions. Kelly and Associates developed a series of classes which provided relevant training for each particular group.

In April the Department conducted a one-week training conference for our examiners. The agenda included speakers from the Federal Reserve, the National Credit Union Administration, the Indiana Credit Union League, the Indiana League of Savings Institutions, speakers from the industry, a member of the FBI speaking about white collar crime and many other pertinent topics.

Several examiners have taken advantage of the tuition reimbursement program which is offered by the Department to continue their formal education. Participants in this program have enrolled in coursework including the topics of cost accounting, Lotus 1-2-3, and other business-related courses. The Department of Financial Institutions reimburses examiners who complete these job related courses in a satisfactory manner.

This past year the Department co-sponsored two one-day seminars with the Bank Administration Institute. The topics presented at each respective seminar were "Sue the Lender" and the "Bank Secrecy Act". Both seminars were very informative and open to the industry as well as DFI personnel.

The DFI has continued to utilize the one and two week In-Service Programs. This program affords our new inexperienced examiners an opportunity to work in and observe the operations of a state-chartered financial institution. Examiners participating in this program are shown the other side of the financial institution by the personnel of the credit union, bank or savings and loan association to which they are assigned. Such training should provide both valuable hands-on training and a more complete understanding of the industry.

Program Director Phyllis Humphrey (center) provides training assistance to Karen Beauchamp (left) and Lisa Shirar (right).

As a part of on-going training, examiners take part in mock board presentations with Department personnel.

DEPARTMENT COMPUTER TRAINING

In June of 1986, the Department of Financial Institutions received its first shipment of IBM and IBM compatible computers. The original proposition was for the Department to receive two desktop computers and four portable computers. These computers were to be used to begin the process of automating the word processing function in the office and the report of examination in the field.

Due to the availability of funds and a strong commitment by management, additional equipment was ordered for the Department and our automation effort became reality much sooner than expected. What was originally intended to be the acquisition of six computers became fifty-one computers. This greatly enhanced the Department's ability to handle word processing tasks and also gave personnel the ability to begin more in-depth analysis of financial institutions under its jurisdiction.

The report of examination for the bank division has been automated and is nearing completion. The basic report formats have been designed and are currently being used in the field. While there are still some problems to overcome, automation of the report of examination is progressing on schedule.

The use of computers in the office and the field has changed the Department's training procedures for new examiners. In the past, approximately two weeks were spent in initial training for new field examiners. Since the introduction of computers in the field, three weeks are now spent in the training process. New examiners are now given initial training in the use of portable computers, software, and the various report pages which have been used in the completion of the report of examination.

While one weeks training is hardly enough to make a new examiner proficient on the computer and the various software packages, this time is spent in getting the examiner familiar with the general operation of the computer and how the computer is used in the field to complete the Bank Division's Report of Examination. At this time field examiners are using Panasonic Exec. Partner portable computers, Lotus 1-2-3 Electronic Spreadsheets and the Leading Edge Word Processor.

To date, training for seasoned examiners has included a total of two weeks training which has been broken down into two one week sessions. The first weeks training consisted primarily of familiarizing personnel with the hardware and software packages. The examiners were then sent back out in the field to experiment with the equipment. After the software was developed for the report of examination, the examiners were brought back into the office to learn how to complete the report of examination on the computers.

Now that the initial training is nearing completion, plans call for periodic visits to the field for observation and quarterly seminars/training sessions to review problems, new techniques and new developments in the software. These quarterly sessions are not to be limited to the bank division field examiners. Any computer user within the Department will be included in the training sessions, with each session tailored to that user or group's particular needs.

LEGISLATIVE REVIEW

There were many legislative actions affecting Indiana financial institutions during the 1987 Indiana General Assembly. Those enrolled acts which were approved by the Legislature and the Governor for Public Law are summarized below.

P.L. 19-1987 (SEA 16)

SEA No. 16 revises and relocates the laws concerning the deposit and investment of public funds and the public deposit insurance fund. This Act repeals the existing laws concerning the deposit and investment of public funds and the public deposit insurance fund.

Citations affected: IC 4; IC 5-12; IC 5-13; IC 6; IC 8; IC 13; IC 14-3-12-17; IC 15; IC 20-5; IC 20-14; IC 21-2-8-1; IC 21-6.1-3-8; IC 23-19; IC 28-7-1-9; IC 32-9-1-25; IC 36; P.L. 13-1986.

Effective: May 6, 1986

P.L. 36-1987 (HEA 1778)

HEA No. 1778 creates many changes in IC 28. Among these, this Act eliminates the expiration date for certain emergency rules adopted by the Department of Financial Institutions and increases the annual salaries of members of the Department of Financial Institutions from $2,000 to $4,000.

The Act authorizes shareholders of state banks to take any required meeting action or action which might be taken at a meeting without a meeting if: (1) before the action, a consent in writing, setting forth the action to be taken, is signed by all of the eligible voting shareholders, and (2) if the written consent is filed with the minutes of the proceedings of the shareholders.

This Act also amends IC 28-1-5-9 to clarify that each member of the Board of Directors shall be a shareholder in the corporation of which the member is a director or in any company that has control over the corporation of which the member is a director.

This Act allows regional bank holding companies to acquire troubled Indiana banks and specifies the rights of an acquiring bank to relocate branches of a troubled bank acquired under the law on merger of troubled banks. An entity acquiring a bank, savings bank, building and loan association, or savings and loan association under IC 28-1-7.2-7 may continue to operate the principal office or any branch of the entity being merged as: (1) a branch of the acquiring entity, if the acquiring entity is not an Indiana or regional bank holding company; or, (2) a subsidiary of the acquiring entity, if the acquiring entity is an Indiana or regional bank holding company. The acquiring entity may relocate any branch described above to another location in the same county as the branch was located when the branch was acquired. The relocation must be approved by the Board of Directors of the acquiring entity and the Department of Financial Institutions.

The Act allows state-chartered banks to invest in collateralized mortgage obligations eligible for purchase and sale by national banking associations. The bank or trust company may, in addition, purchase for its own account and sell the obligations to the extent that a national banking association can purchase and sell those obligations.

The Act defines the principal office of a bank to be that which is located in the county in which the principal office of the bank is located or the county in which its predecessor corporation was located: (1) on December 31, 1984,; or, (2) on the date of incorporation if neither the corporation nor its predecessor corporation was in existence on December 31, 1984. The principal office of a new bank, resulting from a consolidation, is the principal office of the consolidating bank designated in the joint agreement of consolidation.

The Act changes the time period for acceptance of applications for acquisitions from ten (10) calendar days to ten (10) business days. It changes the definition of "company" to include wording, for purposes of the law on regional bank holding companies, to prevent a foreign organization that controls regional banks from acquiring Indiana banks.

Under the amended code, a bank holding company that is not an Indiana or regional bank holding company is entitled to indirectly acquire one (1) or more Indiana banks or Indiana bank

holding companies by acquiring a regional bank holding company. However, the act provides that a regional bank holding company that is acquired by a holding company located outside of Indiana's banking region has two years to divest of its Indiana banks. A bank holding company may continue to control an Indiana bank or an Indiana bank holding company without regard to the divestiture requirements if: (1) the controlling bank holding company becomes a regional bank holding company after May 31, 1987, and before January 1, 1988; (2) the controlling bank holding company acquired the Indiana bank holding company before June 1, 1987; and, (3) before March 5, 1990, the laws of the state in which the controlling bank holding company has its principal place of business complies with the reciprocity provisions of Indiana Code.

Finally, the Act specifies that mergers may occur between state and national banks across county lines, subject to the same limitations as mergers between state banks under IC 28-2-13.

Citations affected: IC 4-22-2-37; IC 28-1; IC 22-2; IC 28-3-2-1.

Effective: May 6, 1987; June 1, 1987.

P.L. 247-1987 (HEA 1715)

HEA No. 1715 re-defines loan broker and changes required disclosure statements, recission and fees, and records to be maintained by loan brokers. This Act also makes other numerous changes and additions to the law regulating loan brokers.

Citation affected: IC 23-2-5.

Effective: September 1, 1987.

P.L. 254-1987 (HEA 1451)

HEA No. 1451 added to the Indiana Code a new article which regulates the obligations of the lessor and lessee under rental purchase agreements, also known as "rent to buy" contracts, covering residential real property. A rental purchase agreement is defined as an agreement between a lessor and a lessee that: (1) provides for the use of personal property by an individual primarily for personal, family or household purposes; (2) has an initial period of four (4) months or less; (3) is automatically renewable with each rental payment; and, (4) permits the lessee to become the owner of the property.

The law details which sections of the Federal Consumer Credit Protection Act apply to said agreements. It also sets forth guidelines for disclosure and the proper form for the rental purchase agreement. Chapter Four and Chapter Five set forth the limitations upon the lessor in conducting business and outline the paramters under which additional charges may be assessed to a lessee. Also included in the law are regulations for garnishment, unconscionable agreements, enforcement and adjustment in maximum fees.

Lessors must file notification with the Department of Financial Institutions: (1) within thirty (30) days after soliciting or entering into a rental purchase agreement subject to this article; and, (2) before February 1 in each subsequent year that the lessor solicits or enters into a rental purchase agreement subject to this article. The article explains what information is required in the notification.

The final chapter of the article sets forth the classification of violations against this article and the applicable civil damages proceedings.

P.L. 263-1987 (HEA 1461)

HEA No. 1461 allows a bank that has a partial banking day to establish a cutoff hour or to treat money on items as received on the following full banking day.

Citation affected: IC 26-1-4.

Effective: September 1, 1987.

P.L. 266-1987 (HEA 1585)

HEA No. 1585 makes conforming amendments to the laws governing insurance companies and financial institutions so that their corporate powers will be similar to those applicable to general purpose corporations under the 1986 Indiana Business Corporation Law (IC 23-1).

This Act provides for the indemnification of directors of insurance companies and financial institutions.

Citations affected: IC 27-1-7; IC 27-1-7.5; IC 28-1-5; IC 28-1-5.5.

Effective: August 1, 1987.

P.L. 276-1987 (SEA 376)

SEA No. 376 amends IC 28 to permit financial institutions to establish a reserve fund instead of requiring a blanket fidelity bond to provide surety

coverage for their officers and employees who have access to money and bonds of the corporation. The amount and form of fidelity coverage must be approved by the Board of Directors of the corporation.

This Act also eliminates the requirement that a fidelity bond be approved by the Department of Financial Institutions. All financial institutions must, however, provide coverage either in the form of a blanket fidelity bond issued by a corporate surety authorized to transact business in Indiana or through the establishment of a separate reserve fund within the corporation for that purpose.

P.L. 277-1987 (HEA 1393)

HEA No. 1393 makes several amendments to IC 28 and adds several sections. It increases the maximum investment by savings and loan associations in service corporations from 3% to 5% of the total assets of the association and authorizes the issuance of subordinate debentures to all or any class of the associations depositors or creditors.

The act creates a procedure for savings and loan associations, similar to that of applicable banks, by which a third party claimant to a deposit account can prevent withdrawals by the depositor. It provides that a federally insured state-chartered savings and loan association need not obtain state approval of a plan to convert or change its corporate form if the plan must be approved by the Federal Home Loan Bank Board. The association must, however, file with the Department of Financial Institutions a copy of all papers filed with the federal agency and, when issued, a copy of the approval or other action taken by the federal agency regarding the plan.

The act provides that a savings association and their holding companies in states adjacent to Indiana may acquire Indiana savings associations and their holding companies, provided that Indiana savings associations and their holding companies are granted reciprocal rights by that state. Such an acquisition may not take place if: (1) such acquisition would cause the holding company to hold a percentage of the total savings associations deposits in Indiana greater than fifteen percent (15%); or, (2) the Indiana savings association or savings association subsidiaries of the association holding companies have not been in existence and continuously operated as a savings association for at least five (5) years. A regional savings association holding company or regional savings association having acquired an Indiana savings association or association holding company is not entitled to branching rights in Indiana equivalent to an Indiana savings association unless the laws of the home state of that regional association permit an Indiana association to exercise the same branching rights in the state.

The act also outlines in depth the procedures for the filing of an acquisition application by a regional association or regional association holding company and the criteria which shall be used in deciding whether to approve an acquisition by an applicant.

The Department of Financial Institutions may enter into cooperative agreements with other savings association regulatory agencies to facilitate the regulation of savings associations and association holding companies doing business in Indiana. Approval of the establishment of branches by an Indiana or regional savings association shall be controlled by the state regulatory agency in which the proposed branch would be located.

The Board of Directors of any Indiana savings association or holding company may, before September 1, 1987, adopt a resolution to exempt the savings association or holding company from: (1) the provision permitting and regulating the acquisition of and acquisition by other Indiana savings associations or association holding companies; or, (2) the provision permitting and regulating the acquisition of and acquisition by regional savings associations and association holding companies; for a period of five (5) years beginning September 1, 1987. The exercising of this opt-out provision may be rescinded if the Department of Financial Institutions is properly informed of such action.

Citations affected: IC 28-1-21-2; IC 28-1-21.2; IC 28-1-21.5; IC 28-4-3-2; IC 28-4-3-6; IC 28-4-8.

Effective: April 30, 1987; July 1, 1987; September 1, 1987.

P.L. 278-1987 (HEA 1042)

HEA No. 1042 provides that a person who if found liable in a court action for stopping payment on a check without valid legal cause or for allowing dishonor of a check is also liable to the holder

for the reasonable costs of collecting the dishonored amount.

Citations affected: IC 28-2-8-1; IC 34-4-30-1.

Effective: September 1, 1987.

P.L. 279-1987 (HEA 1409)

HEA 1409 permits beginning July 1, 1992, the acquisition of an Indiana bank or Indiana bank holding company by a bank holding company with its principal place of business in any other state in the United States whose law would allow reciprocity by Indiana banks or bank holding companies. In addition, the Act repeals the existing law on this subject which was enacted in 1985. This law enlarges the current banking region to permit, subject to reciprocity, Iowa, Missouri, Pennsylvania, Tennessee, Virginia, West Virginia and Wisconsin bank holding companies to acquire Indiana banks and Indiana bank holding companies under the regional bank holding company law.

The Act states that a bank holding company that has its principal place of business in a state other than Indiana may acquire an Indiana bank or an Indiana bank holding company if: (1) such acquisition would not cause such corporation to hold twelve percent (12%) of the deposits in all financial institutions in the state; (2) the Indiana bank or the subsidiaries of an Indiana bank holding company has been in existence and continuously operating for more than five (5) years; or, (3) the requirements of reciprocity of the state in which such bank holding company has its principal place of business are met. The Act outlines the procedures for application for acquisition and the criteria for the deciding of whether or not such application is approved.

Under these provisions, an Indiana bank holding company that ceases to be an Indiana bank holding company, or a foreign bank holding company, as defined in IC 28-2-16-9, shall within two (2) years divest itself of all Indiana banks and Indiana bank holding companies.

The Department may enter into cooperative agreements with other bank regulatory agencies to facilitate the regulation of banks and bank holding companies doing business in Indiana.

The base on which the deposit concentration limitations are calculated after June 30, 1987, under the bank branching and holding company laws will be to the total deposits of all Indiana financial institutions, rather then the deposits of all Indiana banks. Limitations on the number of branches that can be established during prescribed time periods have been removed. The Act also provides that a state bank may establish a branch by acquisition in any location within the limits of an Indiana county that is not the county in which its principal office is located beginning January 1, 1989. This will remove the current contiguous county limitations. Finally, the Act permits more than one bank among affiliates to branch.

Citations affected: IC 28-2-12; IC 28-2-14-11; IC 28-2-15; IC 28-2-16; IC 28-6-2.1.

Effective: June 1, 1987; January 1, 1989; July 1, 1992.

P.L. 280-1987 (SEA 410)

SEA No. 410 adds two (2) new sections and amends two (2) existing sections of Indiana Code 28. IC 28-2-14-18 and IC 29-2-15-29 empower Indiana bank holding companies and regional bank holding companies to transfer the trust operations from one Indiana subsidiary bank to another. The Board of Directors of a bank holding company may adopt a resoultion to cause an Indiana affiliate it controls to succeed to part or all of the trust business of another Indiana affiliate it controls. If the Board of Directors adopts such a resolution and files a certified copy of it as required, the successor Indiana affiliate becomes fiduciary in place of the predecessor with all the rights, powers and duties that were granted or imposed on the predecessor Indiana affiliate. The Board of Directors must file a certified copy of the resolution adopted under this section with the Department of Financial Institutions.

The Act also amends IC 30-1-5-1 to permit fiduciaries to invest in obligations of the federal government either directly or in the form of securities of open-end investment or investment trusts having investments limited to federal government obligations or repurchase agreements fully collateralized by such obligations.

P.L. 281-1987 (HEA 1296)

HEA No. 1296 repeals the law that automatically invalidated certain requirements for bank acquisition by regional bank holding companies.

Citation affected: IC 28-2-15-26.

Effective: January 30, 1987

P.L. 282-1987 (HEA 1786)

HEA No. 1786 creates a procedure for credit unions, similar to that applicable to banks, by which a third party claimant to a despoit account can prevent withdrawals by the depositor.

Citation affected: IC 28-7-2.1.

Effective: September 1, 1987.

FEES AND APPROPRIATIONS

The Department of Financial Instituions considers several factors in establishing the fee base for assessing those institutions which are subject to the regulation of the Department. In accordance with state statute IC 28-1-2-33, the Department fixes a schedule of fees to cover its operating costs. In the past, the Department has been able to more accurately assess fees by giving a general discount of 5, 10 or 20%. These discounts were based upon factors which were certain in our budgeting process. In addition, the Department was able to give a 10% rebate in 1986 and a 20% rebate in 1987 due to unprojected income from UCCC and bank acquisition fees. The UCCC volume fee was reduced to $17 for 1986, down $6 from the previous year. The Department management continues to seek out and implement new procedures which might allow the Department to operate more efficiently and economically.

Although the Department does not receive any tax dollars for the support of its operations, it is subject to the same budget process as those agencies which do receive tax dollars. The budget appropriation for the Department is determined by a legislative committee and the Budget Agency. Salaries and allowable travel expenses, which constitute approximately 95% of total operating expenses, are determined by the State Personnel Department and legislative budget process. Expenditures are controlled and monitored by the prudent practices of Department management and require justification prior to authorization. Additionally, the Department is audited annually by the State Board of Accounts.

Fees for depository financial institutions are determined according to the following:

- Number of institutions subject to examination by the division: bank, savings and loan or credit union.
- Number of man days required for an average examination.
- Number of examiners available in a district.
- Required experience level of examiners which is necessary for certain size institutions.
- Number of small institutions from which a minimum fee is collected.
- Average number of branches for certain size institutions.
- Average amount of additional working time needed for certain institutions.

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